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ABSTRACT

Results of the annual state survey of faculty salaries in California colleges and universities are presented and analyzed in two parts: the University of California and the California State University and Colleges, and the California Community Colleges. For the four-year institutions, a history of the salary reports is given and certain funding procedures explained. The two four-year systems are compared in these areas: salary requests, grants, and the cost of fringe benefits; economic conditions and faculty salaries; projected salaries and their accuracy; and projected cost of fringe benefits. For the two-year institutions, the salary structures are explained, and comparisons are made with the state four-year institutions and also with community colleges in other states. (MSL)

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FACULTY SALARIES
IN CALIFORNIA PUBLIC HIGHER EDUCATION
1979 - 1980

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University of California
California State University and Colleges
California Community Colleges
University of California Medical Faculty

HE 011 197

A Report Prepared
by the
CALIFORNIA POSTSECONDARY EDUCATION COMMISSION
April, 1979

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CHAPTER I

UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES

INTRODUCTION

Annually, in accordance with Senate Concurrent Resolution No. 51 (1965 General Legislative Session),[1] the University of California and the California State University and Colleges submit to the Commission data on faculty salaries and the cost of fringe benefits for their respective segments and for a group of comparison institutions specified for each.[2] On the basis of these data, estimates are derived of the percentage changes in salaries and the cost of fringe benefits required to attain parity with the comparison groups in the forthcoming fiscal year. The methodology by which these data are collected and analyzed is designed by the Commission in consultation with the two segments, the Department of Finance, and the Office of the Legislative Analyst. Commission staff audits the data and prepares two reports, one in the fall and one in the spring, which are transmitted to the Governor, the Legislature, and appropriate officials. The report which follows is the final report for the 1979-80 budget cycle.

This report contains two major chapters: (1) an overview of faculty salaries and the cost of fringe benefits at the University of California and the California State University and Colleges; and (2) a preliminary analysis of faculty salaries in the California Community Colleges.

In addition, there is also a discussion of general economic conditions; an analysis of the comments on faculty salaries that were published by the Legislative Analyst in his Analysis of the Budget Bill, 1979-80; and a report on medical faculty salaries that was developed by the University of California pursuant to a legislative directive. The final two items are included as Appendices.

HISTORY OF THE SALARY REPORTS

The impetus for the faculty salary reports came from the Master Plan Survey Team in 1960, which recommended that:

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[1] See Appendix A.

[2] See Appendix D for the lists of comparison institutions used for the University of California and the California State University and Colleges.

3. Greatly increased salaries and expanded fringe benefits, such as health and group life insurance, leaves, and travel funds to attend professional meetings, housing, parking and moving expenses, be provided for faculty members in order to make college and university teaching attractive as compared with business and industry.

8. Because of the continual change in faculty demand and supply, the coordinating agency annually collect pertinent data from all segments of higher education in the state and thereby make possible the testing of the assumptions underlying this report.[3]

For the ensuing four years, the Legislature continually sought information regarding faculty compensation, information which came primarily from the Legislative Analyst in his *Analysis of the Budget Bill* and from the Coordinating Council for Higher Education in its annual reports to the Governor and the Legislature on the level of support for public higher education. These reports, while undoubtedly helpful to the process of determining faculty compensation levels, were considered to be insufficient, especially by the Assembly which consequently requested the Legislative Analyst to prepare a specific report on the subject.[4]

Early in the 1965 General Session, the Legislative Analyst presented his report and recommended that the process of developing data for use by the Legislature and the Governor in determining faculty compensation be formalized. This recommendation was embodied in Senate Concurrent Resolution No. 51, which specifically directed the Coordinating Council to prepare annual reports in cooperation with the University of California and the then California State Colleges.

Since that time, the Coordinating Council and, subsequently, the Commission, have submitted reports to the Governor and the Legislature. The first, a preliminary report, is released in December as an aid to the Department of Finance in its development of the Governor's Budget; the second, a final report,[5] is issued in the spring for use by the legislative fiscal committees during budget hearings.

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[3] *A Master Plan for Higher Education in California, 1960-1975*, California State Department of Education, Sacramento, California, 1960, p. 12.

[4] This request came in the form of House Resolution No. 250 (Unruh) during the 1964 First Extraordinary Session of the Legislature (Appendix B).

[5] Prior to 1973-74, only one report was issued for each budget cycle.

In each of these reports, faculty salaries and the cost of fringe benefits in California's four-year public segments are compared with those of other institutions (both within and outside of California) for the purpose of maintaining a competitive position.[6] In general, other indices such as changes in the Consumer Price Index have not been employed, since the original rationale for the salary surveys was the maintenance of competitive institutional parity rather than parity vis-a-vis the cost of living. It was not intended that salary adjustments would necessarily prevent erosion in faculty purchasing power since inflation was a minor concern in 1965. The primary objective was to assure that California's public institutions would be able to attract and retain the most-qualified faculty members available and thereby at least maintain, and hopefully improve, the quality of educational programs.

Since the passage of SCR 51, the Coordinating Council and the Commission have issued reports for thirteen budget cycles. In each case, comparison institutions have been employed in determining salary and fringe benefit levels. This report, the fourteenth in the series, continues that tradition.

SEGMENTAL REQUESTS FOR FACULTY SALARIES AND THE COST OF FRINGE BENEFITS

Each year, the segmental central offices prepare requests for faculty salaries and the cost of fringe benefits for presentation to their respective governing boards--the Regents and the Trustees. The segmental requests for salaries and the amounts granted by the Governor and the Legislature since the 1965-66 fiscal year are shown in Table 1.

It should be noted that, although the average increase granted to State University faculty has been approximately 1 percentage point greater than that approved for University faculty over the past fourteen years, this disparity has been all but eliminated since 1968-69. In the ensuing ten years, the average increase for University faculty has been 4.0 percent, while that for State University faculty has been 4.3 percent. During the past four years, the percentage increases have been identical. Also, the ten-year period referred to includes three years when no increases were granted.

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6. The methodology for the faculty salary reports is shown in Appendix C. Comparison institutions are shown in Appendix D.

TABLE 1

PERCENTAGE INCREASES REQUESTED BY THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES AND THE AMOUNTS GRANTED BY THE GOVERNOR AND THE LEGISLATURE 1965-66 THROUGH 1979-80

	University of California		California State University and Colleges	
Year	Requested	Granted	Requested	Granted
1965-66	10.0%	7.0%	10.0%	10.7%
1966-67	2.5	2.5	6.1	6.6
1967-68	6.5	5.0	8.5	5.0
1968-69	5.5	5.0	10.5	7.5
1969-70	5.2	5.0	5.2	5.0
1970-71	7.2	0.0	7.0	0.0
1971-72	11.2	0.0	13.0	0.0
1972-73	13.1	9.0	13.0	8.9
1973-74	5.4	5.4	7.5	7.5
1974-75	4.7	4.5	5.5	5.5
1975-76	10.8	6.7	10.4	6.7
1976-77	4.6	4.3	7.2	4.3
1977-78	6.8	5.0	8.5	5.0
1978-79	9.3	0.0	9.9	0.0
1979-80	16.0	N/A	14.4	N/A
Total		78.11%*		101.8%*
Average		4.2%		5.2%

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*These totals are compounded to indicate the total percentage increases granted since 1964-65. No totals are shown for segmental requests since they are affected greatly by the amounts granted.

University of California

On November 16 and 17, 1978, the University's Board of Regents discussed the faculty salary request for the 1979-80 fiscal year. The President of the University made a lengthy presentation in which he explained the role of the Commission and some of the mechanics of the process of comparing University faculty salaries to those in other universities across the country and in California. He noted that, although the University has supported the comparison method, the Governor and the Legislature have seldom approved the increases which were dictated by that methodology:

> . . . the legislative process has seldom been guided by the comparison survey in over a decade. The Legislative Analyst pointed out in his analysis of the Budget Bill, 1975-76, ". . . in only one year out of ten were segmental recommendations fully implemented." Moreover, for the current year and for 1970-71 and 1971-72, despite the results of the comparison survey, the range adjustment was zero.[7]

President Saxon also discussed the effects of inflation on University faculty, stating that the ability of the University to compete for outstanding individuals has been seriously eroded and that it would be difficult to maintain the quality of the institution unless there were substantial salary increases at all ranks. This situation is discussed further starting on page 6 of this report.

For the 1979-80 fiscal year, the Regents requested a range adjustment of 16.0 percent, as well as an adjustment in current-year salaries retroactive to October 1, 1978. The amount of that adjustment has not been specified but, if approved, will be deducted from the 16.0 percent increase proposed for 1979-80. Given President Carter's standards, which appear to propose a limit of 7.0 percent on wage increases, any retroactive increase would probably be limited to that amount.

The components of the proposed 16.0 percent increase for University faculty are as follows:

Parity lag resulting from the survey of comparison institutions[8]	13.42%
Additional amount needed to cover inflation for Assistant Professors	0.24
Additional amount needed to recoup some inflation for all ranks	2.34
Total	16.00%

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7. Regents of the University of California Agenda, Item 505, p. 2, November 16, 1978.

8. Due to developments which occurred after the Regents approved the 13.42 percent figure, it should be changed to 12.15 percent. This is discussed further on pp. 17-18 of this report.

California State University and Colleges

The State University Trustees met on November 28 and 29, 1978, and approved a faculty salary increase of 14.4 percent for 1979-80. This figure includes an 8.0 percent increase to equal the current estimated rate of inflation,[9] plus a 6.4 percent increase which the Chancellor's Office estimates is equal to one-fourth of the erosion in purchasing power experienced by State University faculty over the past ten years (1969-70 through 1978-79). In addition, the Trustees approved a resolution requesting a 7.0 percent increase retroactive to October 1, 1978. If this increase is granted, the 14.4 percent request will be adjusted downward.

It should be noted that the State University has not employed the Commission's comparison methodology in any way in developing its request for faculty salary increases for 1979-80; rather, it has adopted an approach that is totally dependent on changes in the United States Consumer Price Index (CPI). In this respect, the Trustees' approach is markedly different from that employed by the University Regents.

This is the second year that the State University has based its requests for faculty salary increases on changes in the cost of living. Last year, the Trustees offered several criticisms of the comparison methodology and called for a thorough reexamination of SCR 51. This year, the Commission's report and methodology were not mentioned in the written presentation to the Trustees, but it is clear that the Trustees no longer support the comparison approach in determining appropriate salary levels.

FACULTY SALARIES AND ECONOMIC CONDITIONS

The public four-year segments, particularly the State University, have increasingly maintained that the use of comparison institution data does not provide an adequate picture of the true economic status of the academic profession. Both have argued that additional factors, primarily changes in the CPI, should also be considered.

Table 2 shows a composite of segmental requests, reports from the Coordinating Council and the Commission, amounts approved by the Governor and the Legislature, and changes in the CPI for the ten-year period beginning with the 1969-70 fiscal year. It provides a useful perspective on the changes in the economic status of faculty members.

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[9] That inflation rate has been updated to 9.0 percent for Fiscal 1978-79. See Table 2.

TABLE 2

SALARY INCREASES FOR FACULTY REQUESTED BY THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES, INCREASES REQUIRED TO ATTAIN PARITY WITH COMPARISON INSTITUTIONS, SALARY INCREASES GRANTED BY THE GOVERNOR AND THE LEGISLATURE, AND CHANGES IN THE UNITED STATES CONSUMER PRICE INDEX 1969-70 THROUGH 1978-79

Year	Segmental Requests		CCHE/CPEC Reports		Increases Granted		Percentage Changes in the Consumer Price Index
	UC	CSUC	UC	CSUC	UC	CSUC	
1969-70	5.2%	5.2%	5.2%	5.2%	5.0%	5.0%	5.9%
1970-71	7.2	7.0	7.2	7.0	0.0	0.0	5.2
1971-72	11.2	13.0	11.2	13.0	0.0	0.0	3.6
1972-73	13.2	13.0	13.1	13.0	9.0	8.9	4.0
1973-74	5.4	7.5	6.4	8.8	5.4	7.5	9.0
1974-75	4.7	5.5	4.5	4.2	4.5	5.5	11.1
1975-76	10.8	10.4	11.0	9.7	6.7	6.7	7.1
1976-77	4.6	7.2	4.6	4.6	4.3	4.3	5.8
1977-78	6.8	8.5	6.8	5.3	5.0	5.0	6.7
1978-79	9.3	9.9	8.0	3.3	0.0	0.0	9.0
Totals*					47.3%	51.5%	91.6%
Average					4.0%	4.3%	6.7%

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*Compounded.

Several comments need to be made relative to the figures in this table. First, totals for "Segmental Requests" and for "CCHE/CPEC Reports" are not shown since they would only be misleading. The reason for this is that the amounts granted in any one year affect the requests for subsequent years. In other words, if a 7.2 percent increase had actually been granted to University of California faculty in 1970-71, rather than no increase, the University's request and the amount reported by the Coordinating Council for 1971-72 would have been much less than the 11.2 percent figure shown. Accordingly, totals for these columns have little meaning. Secondly, the totals shown for the "Increases Granted" and "Percentage Changes in the Consumer Price Index" columns are not directly comparable to the "Average" figures shown directly beneath them. For example, although the average annual increase in the CPI for the ten-year period shown was 6.7 percent, the total increase for the same period was 91.6 percent. Similarly, the total noted for increases granted is less than the average multiplied by ten. The reason for this is that the "Totals" have been compounded for each year of increase to more accurately reflect what actually occurred over the period of time involved.

What these data show is that over the past ten years, the amount requested by the segments has been granted once for the University and twice for the State University, although it has been close in two other years. The advice of the Coordinating Council and the Commission was adopted by the Governor and the Legislature for the University in only one year and never for the State University, but was close for both segments in four others. A comparison of the actual increases granted with the CPI shows that the University and State University faculty have lost 44.3 and 40.1 percent in purchasing power, respectively, compared to the ten-year increase in the cost of living.

Another way of looking at the problem is to compare actual salaries paid to faculty in 1968-69 with those they are paid today. In doing so, however, it is extremely important to make a distinction between changes in salary ranges and changes in average salaries (the all-ranks average). The example below illustrates the point:

Example A			Example B		
Professor	Salary	Number of Faculty	Professor	Salary	Number of Faculty
Step 1	$23,000	100		$23,000	500
Step 2	24,000	200		24,000	400
Step 3	25,000	300		25,000	300
Step 4	26,000	400		26,000	200
Step 5	27,000	500		27,000	100

The average salary for professors in Example A is $25,666 while that for Example B is $24,333 in spite of the fact that the salary range and the number of total faculty at the rank of professor is the same in both examples. Thus, comparing salaries from year to year can be hazardous, and the problem increases in complexity when one is dealing with an all-ranks average covering several faculty ranks rather than a single rank, as in the example given above.

The only way to present an accurate picture of how salaries have actually changed is to use the identical staffing pattern for all years under consideration. This technique has been used by the Commission in this report and is equally applicable to comparing faculty salaries at California institutions with institutions in other states. This is explained more fully in Appendix H which discusses the comments of the Legislative Analyst.

Table 3 below shows the average salaries, by rank, for both the University and the State University for 1968-69 and for 1978-79.

TABLE 3

RANK-BY-RANK SALARIES FOR THE UNIVERSITY OF CALIFORNIA
AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES
1968-69 AND 1978-79

Segment	Professor	Associate Professor	Assistant Professor	Instructor
University of California				
1968-69	$19,680	$13,365	$10,618	N/A
1978-79	29,630	20,533	16,964	N/A
California State University and Colleges				
1968-69	$17,020	$12,732	$10,481	$ 9,097
1978-79	26,399	20,324	16,668	14,509

In the ten-year period covered, the staffing patterns have changed dramatically, with a far greater number of faculty in the higher ranks. Although precise figures are not available for 1968-69 due to changes in the method of computing total faculty, those for 1972-73 to the present are shown below.

TABLE 4

STAFFING PATTERNS AT THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES 1972-73 AND 1978-79

Segment	Professor	Associate Professor	Assistant Professor	Instructor
University of California				
1972-73	2,123 (45.9%)	1,079 (23.3%)	1,422 (30.8%)	N/A
1978-79	2,594 (55.7%)	1,131 (24.3%)	931 (20.0%)	N/A
California State University and Colleges				
1972-73	3,727 (33.2%)	3,271 (29.1%)	3,991 (35.5%)	242 (2.2%)
1978-79	5,489 (48.3%)	3,438 (30.2%)	2,221 (19.5%)	218 (1.8%)

What Table 4 illustrates is that both segments are maturing, with a greater number of faculty members at the professor rank and fewer at the assistant professor rank. When the all-ranks averages are computed, the average salary paid would inevitably rise, even if no salary increases had been granted, since more people are located in the higher salary ranges.

The only way to provide a true picture of the effect of salary increases granted by the Governor and the Legislature is to apply the same staffing pattern to both sets of rank-by-rank averages. In the case at hand, the 1978-79 staffing pattern has been chosen.

TABLE 5

A COMPARISON OF ALL-RANKS AVERAGES FOR THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES USING RANK-BY-RANK AVERAGES FOR 1968-69 AND 1978-79 AND THE STAFFING PATTERN FOR 1978-79

Segment	1968-69	1978-79	Difference
University of California	$16,334	$24,888	+52.4%
California State University and Colleges	$14,293	$22,432	+56.9%

In comparing the percentage differences noted above with the total increases granted (Table 2), there is approximately a 5 percent difference for each segment, an amount that is probably accounted for in terms of differences in the number of faculty at each step within the ranks involved. From an examination of the two tables together, however, it is fair to state that the loss of purchasing power since 1968-69 has been approximately 40 to 45 percent for the University and 35 to 40 percent for the State University. The fact that parity figures for both segments are considerably less than these amounts is a reflection of the loss of purchasing power in higher education generally.

In last year's salary report, Commission staff discussed the possibility of amending SCR 51 to include direct consideration of changes in the cost of living. The issue was stated in the following terms:

> Should faculty salaries be based solely on the criterion of "equity" for the faculty member who has clearly lost economic ground in terms of inflation or should it be based on the State's legitimate interest in maintaining only a competitive balance with comparison institutions? If the "equity" argument is accepted, the State should adopt most or all of the salary increases recommended by the segmental governing boards since they have demonstrated that their faculties have not kept pace with prevailing economic conditions. If "competition" is to be the primary or sole criterion, as it has been for twelve years, the increases indicated by the data in this report should be adopted. If a compromise is desired, the Legislature and the Governor may wish to select a figure somewhere between the two.
>
> The Commission believes that the spirit as well as the letter of SCR 51 dictates a continuation, in this report, of the past practice of presenting data from the respective comparison institutions and reporting the increases derived from that data. Not only is this valuable in maintaining a historical perspective, it is also consistent with the present understanding of legislative intent. If that understanding is inconsistent with the present philosophy of the Legislature, then it appears reasonable to ask that a new concurrent resolution be approved which will guide the Commission in future reports.[10]

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10. Final Annual Report of Faculty Salaries and Cost of Fringe Benefits at the University of California and the California State University and Colleges: 1978-79, CPEC Agenda, April 10, 1978, p. 9.

Without question, both the University and the State University have been dissatisfied in recent years with the amounts that have been appropriated for faculty salary increases. The fact that each segment has lost substantial ground in comparison to the cost of living makes this entirely understandable, for it makes recruiting of outstanding faculty members more difficult and is detrimental to morale. But it is important to remember that in a climate of economic austerity no methodology, whether based on a comparison approach or a formula designed to reflect inflationary trends, will generate salary increases that are satisfactory to the groups receiving them. At the present time, it may appear advantageous to use an approach geared to the CPI, but it is also a fact that this technique had no advocates during the years of low inflation in the early and mid-1960s, when the results of the comparison surveys dictated salary increases greater than the average annual increase in the cost of living. If that situation should return--if the demand for faculty members should again exceed the supply and push salaries up at accelerated rates--few could doubt that the present arguments for a CPI-based salary methodology would quickly evaporate.

The probable reason why the comparison methodology has survived this long is that it actually incorporates more than mere comparisons with other institutions. Virtually all postsecondary institutions use some form of comparison method to determine the appropriate levels of compensation their faculties receive. For example, the eight institutions currently used for comparison purposes by the University each have their own comparison institutions, and those institutions use still others. Many of these colleges and universities relate their salary-setting policies directly to the cost of living, some use a comparison approach, and others use both. Virtually all of them are aware of inflation, just as are the California institutions. If one or more institutions used for comparison purposes by the California segments adjust their salaries on the basis of inflation, the parity figures employed here will be affected. In this way, the methodology used in this report will always be more comprehensive than a simple adjustment for changes in the CPI.

Federal Wage and Price Standards

On October 24, 1978, President Carter announced his anti-inflation program in response to what he termed the "nation's most serious economic problem." In a white paper on the subject, the Council on Wage and Price Stability noted that earlier efforts to control inflation had not been successful and that a more comprehensive program is necessary.

> Earlier this year, the President outlined the framework of a voluntary program that required the cooperation of government, business and labor. This program was designed to break the momentum of wage/price increases in the private sector

> and to reduce government's contribution to inflation. Simultaneously, the federal budget deficit for Fiscal 1979 was reduced by some $20 billion. These efforts have not been enough; stronger measures are required. Thus, the President has now acted:
>
> - to intensify the anti-inflation efforts of government by
>
>   —adopting a stringent budget policy that will create an overall climate in which the inflationary process can unwind,
>
>   —establishing procedures that minimize the inflationary impact of government regulations, and
>
>   —indicating his intention to veto legislative measures and other actions of government that provide benefits to narrow special-interest groups;
>
> - to break the upward spiral of costs and prices by
>
>   —enunciating explicit numerical standards for noninflationary wage and price increases, and
>
>   —making clear his intention to use his administrative powers to support adherence to those standards in individual situations.[11]

The white paper goes on to describe the actions to be taken by the federal government to control inflation. Included among them is a goal of reducing the federal deficit and holding federal spending each year to a total of 21 percent of the Gross National Product. Obviously, these goals will be difficult to meet, and the white paper describes numerous actions to be taken to accomplish them. Some of these actions directly involve federal government employees:

> In order to contribute to these goals, the President has imposed severe limits on hiring of Federal employees for an indefinite period. Effective immediately, Federal agencies may fill only one out of two vacancies as they occur. This step will reduce the number of Federal employees budgeted for this fiscal year by about 20,000. In July, the President announced a 5.5 percent limitation on Federal employee pay raises and a freeze on Federal executive pay levels.[12]

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[11] Fact Book: Wage and Price Standards, Council on Wage and Price Stability, p. 3, October 31, 1978.

[12] Ibid.

In its preliminary report on 1979-80 faculty salaries, Commission staff indicated that there was considerable uncertainty as to the exact meaning and applicability of the wage and price standards. It was noted that the regulations obtained from the Council on Wage and Price Stability seemed to relate only to the private sector and that the Council had not yet developed regulations for governmental entities, including higher education faculty. Since then, these ambiguities have been resolved.

On Monday, February 5, 1979, Commission staff attended a conference on the standards in Oakland, sponsored by the University of California's Institute of Industrial Relations at Berkeley. In attendance were Robert Russell, the Deputy Director of the Council on Wage and Price Stability; Robert J. Flanagan, Senior Staff Economist of the Council of Economic Advisors; Clark Kerr, former Director of the Institute (as well as former President of the University); and a number of others representing business, labor, the legal profession, and government. From the presentations made and the ensuing discussions, the following was made clear:

1. The wage and price standards definitely apply to government agencies at all levels, including all colleges and universities.

2. Within any given federal fiscal year (October 1 to September 30), salary and benefit increases granted to employee groups (including State employees and faculty members) may not exceed 7 percent.

3. Merit salary adjustments are included within the 7 percent limit and must be accounted for on a group basis. The standards do not apply to individuals; once a percentage amount for the group is factored in, an individual may receive both the salary increase and the merit increase, even though the combination of the two is greater than 7 percent. Also, salary increases resulting from promotions do not fall within the 7 percent limitation.

4. Any increases in fringe benefits must be accounted for within the 7 percent limit.

What this means for those employees covered by this report, as well as for all State employees in general, is that California is really working with two fiscal years, the period between July 1 and September 30 and the period between October 1 and June 30. Accordingly, and since State employees received no salary adjustments during the current California fiscal year, it would be possible for the Legislature to appropriate funds in a number of ways:

1. An increase not to exceed 7 percent retroactive to October 1, 1978, and another increase of 7 percent beginning October 1,

1979. The latter increase would have to commence on October 1 and not July 1, since the July 1 date would generate a 14 percent increase for the last quarter of the federal fiscal year. Also, the 7 percent figure would have to be adjusted to account for fringe benefits and merit increases.

2. No retroactive increase but two increases within the California fiscal year, the first running from July 1 to September 30 and the second from October 1 to June 30, 1980. Each increase could be for 7 percent, adjusted downward for fringe benefit and merit increases.

3. A 7 percent increase for the California fiscal year 1979-80. This increase would probably not have to be adjusted for merit increases since it would bridge two federal fiscal years where 14 percent is allowable.

Two bills have been introduced in the Senate which adopt one or another of these approaches. The first is SB 91 (Alquist) which provides for an increase of 5 percent from the date the bill is signed to the end of the 1978-79 fiscal year, a retroactive increase in the same amount to October 1, 1978, and a 7 percent salary increase for the 1979-80 fiscal year. The bill applies to all State employees, including University and State University faculty.

The second bill is SB 575 (Paul Carpenter) and provides for a 7 percent salary increase from July 1, 1979 to September 30, 1979 and another 7 percent increase from October 1, 1979 to June 30, 1980. This bill applies only to University and State University faculty.

As the standards now read, the Carpenter bill is in compliance but the Alquist bill is not. To be in compliance the Alquist bill would have to be amended to make the 1979-80 increase effective on October 1, 1979.

PROJECTED SALARIES AT THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES REQUIRED FOR PARITY WITH THE COMPARISON GROUP PROJECTIONS

The projected 1979-80 salaries for faculty at the University of California and the California State University and Colleges are shown in Table 6. (See Appendices E and F for the computation of these figures as well as those for the cost of fringe benefits.)

TABLE 6

ALL-RANKS AVERAGE SALARY REQUIRED AT THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES TO EQUAL THE COMPARISON INSTITUTION PROJECTIONS FOR 1979-80

Institution	Salaries in 1978-79	Comparison Institution Salary Levels Projected for 1979-80	Projected Percentage Increase Required: 1979-80
University of California	$25,337	$28,538	12.64%
California State University and Colleges	$22,401	$24,663	10.10%

There are two major differences in the segmental computations. The University, in deriving its figures for the all-ranks average in its comparison institutions, uses what is known as the "average of averages" approach. This method involves the computation of an average salary, by rank, for each of its comparison institutions. Each of these average salaries is then added to produce a total, which is then divided by the number of comparison institutions to produce an average for the group. The State University, on the other hand, divides the total amount of money paid to all faculty at each rank by the total number of faculty at that rank in all of its comparison institutions combined. An average salary for each rank is thereby obtained and used as a mean for all faculty at that rank. These methods produce a system where each of the eight University comparison institutions has equal weight, regardless of size, while those for the State University are differentially weighted, with the larger institutions having a greater effect on the average than the smaller institutions.

A further word of explanation on this difference in methodology seems appropriate. The University argues that it competes directly for faculty with its comparison institutions, as well as with other institutions of like quality and mission. For this reason, that segment considers it more appropriate to compare rank-by-rank average salaries with institutional ranks. Conversely, the State University believes that a more accurate average can be obtained by using the mean of all salaries paid at each rank. The fact that this tends to make the larger institutions more important in determining the average is also considered appropriate, since more faculty are exchanged between the State University and those institutions than with the smaller ones.

The Commission has periodically examined this difference in approach and concluded that there is no compelling reason for favoring one over the other. For this reason, and because the resulting computations produce only minor differences in the projections, it was decided to allow each segment to use the procedure it prefers.

The second difference in the methodology utilized by the segments is that the staffing pattern for the University is now projected into the 1979-80 budget year while that for the State University is the actual pattern for the 1978-79 year.

The 1979-80 budget cycle is the second year that the University of California has projected its staffing pattern into the budget year. In the Commission's preliminary report, it was noted that the University's projections for 1978-79 were inaccurate to a significant extent and that the projections for 1979-80 seemed to continue that level of inaccuracy.

Table 7 shows the 1978-79 projections together with the estimate used for the preliminary report:

TABLE 7

PROJECTED AND PRELIMINARY REPORT ESTIMATES FOR THE NUMBER OF FACULTY AT EACH RANK AT THE UNIVERSITY OF CALIFORNIA, 1978-79

Rank	Projection	Preliminary Report Estimate	Percentage Difference
Professor	2,835.00	2,593.56	-8.5%
Associate Professor	971.55	1,131.38	+16.45
Assistant professor	865.89	931.24	+7.55
Total	4,672.44	4,656.18	-0.35

This table shows that while the estimate for the total number of faculty to be employed in the budget year was quite accurate (0.35%), the rank-by-rank projections were not. Nevertheless, this error would not have had a dramatic effect on the overall percentage increase in salaries indicated by the methodology, since the rank-by-rank averages for both the comparison group and the University were weighted by the same staffing pattern. Thus, while the percentage indicated in the final report (1978) was 7.96 percent using the projected pattern, it would have been 7.82 percent if the actual figures had been available at that time, a difference of only 0.14 percent.

The error in question came to the attention of both the University administration and Commission staff at approximately the same time and extensive discussions were held in an attempt to resolve the problem. Commission staff has long believed that a projection of the staffing pattern is preferable to the use of a prior-year pattern or even a current-year estimated pattern, since it eliminates the need for artificial adjustments in the figures to reflect such factors as merit increases and promotions. Obviously, however, the projections must be accurate to be useful and, at that time, the requisite accuracy was missing.

The staffing pattern projection originally developed by the University for the 1979-80 fiscal year showed a distribution of faculty among the three ranks similar to that projected for 1978-79. This distribution produced a parity need of 13.42 percent, the amount approved by the Regents in October before the errors were discovered. Subsequently, the University proposed a modification of the projections, a modification that was used for the preliminary report. The changes were outlined in a letter from Vice President Kleingartner to Director Callan (Appendix I).

It should be mentioned that the process of predicting a staffing pattern involves the consideration of four variables: (1) estimates of the number of new appointments; (2) the number of separations (retirements, resignations, leaves of absence, and deaths); (3) the number of promotions; and (4) the number of merit increases that will be granted. Some of these factors affect the average salary at each rank, some affect the number of people at each rank, and some affect both. An error in any one of them will affect the overall percentage figures indicated for parity.

In order to adjust the staffing pattern to reflect more accurately the experience of prior years, the University assumed the same level of merit increases and promotions that had been in evidence in prior years, rather than attempt to make a detailed prediction. For this final report, however, that prediction has been refined, with the result that the staffing pattern projection for 1979-80 has been revised slightly from the preliminary report. Table 8 shows the staffing patterns for the University since 1972-73, together with three projections for the 1979-80 fiscal year: (1) the original projection for the preliminary report; (2) the revised projection for the preliminary report, which excludes specific projections of merit increases and promotions; and (3) the projection for the final report. It should be noted that the revised projection for the preliminary report and the new projection contained in this final report are consistent with the trends of previous years.

TABLE 8

UNIVERSITY OF CALIFORNIA STAFFING PATTERNS, 1972-73 THROUGH 1979-80

Year	Professor	Associate Professor	Assistant Professor	Total
1972-73	2,120.00	1,079.00	1,422.00	4,621.00
1973-74	2,210.00	1,096.00	1,339.00	4,645.00
1974-75	2,295.00	1,126.00	1,223.00	4,644.00
1975-76	2,392.00	1,156.00	1,181.00	4,729.00
1976-77	2,492.00	1,230.00	1,125.00	4,847.00
1977-78	2,501.98	1,141.47	965.74	4,609.19
1978-79	2,593.56	1,131.38	931.24	4,656.18
1979-80				
Original Fall Projection	2,978.63	915.26	836.91	4,730.80
Amended Fall Projection	2,557.66	1,141.88	1,031.26	4,730.80
Spring Projection	2,706.91	1,086.55	937.34	4,730.80

Accuracy of the Comparison Institutions' Projections

From time to time, questions have arisen concerning the accuracy of the projections of salaries to be paid by the comparison institutions in the forthcoming budget year. As noted previously, the preliminary report involves the projection of comparison institution salaries at each rank for a two-year period. When updated information is obtained from these institutions in the spring, the projection is made again, but only for one year. For this report, comparison institution data is available for the 1978-79 fiscal year and is projected forward one year, to 1979-80. In the preliminary report, data for the 1977-78 year was used and the projection made for two years, to 1979-80.

Table 9 shows the history of these projections from 1972-73 to 1978-79. These years were chosen since the lists of comparison institutions remained constant for the entire period.

What these figures show is that the projections for the comparison institutions have been remarkably accurate over the years, especially in the final report, when updated information from the comparison institutions is available. Additionally, these data do not

TABLE 9

COMMISSION PROJECTIONS OF UNIVERSITY OF CALIFORNIA AND CALIFORNIA STATE UNIVERSITY AND COLLEGES' COMPARISON INSTITUTION FACULTY SALARIES WITH ACTUAL SALARIES RECEIVED 1972-73 THROUGH 1977-78

	UC Comparison Group Salaries			% Actual Higher Than Projection		CSUC Comparison Group Salaries			% Actual Higher Than Projection	
Year	Fall Projection	Spring Projection	Actual Salaries	Fall	Spring	Fall Projection	Spring Projection	Actual Salaries	Fall	Spring
Professors										
1972-73	$24,191	$23,292	$23,243	-3.9%	-0.2%	$20,492	$20,023	$20,001	-2.4%	-0.1%
1973-74	24,333	24,296	24,482	+0.6	+0.8	21,693	21,049	20,978	-3.3	-0.3
1974-75	24,679	25,596	25,863	+4.8	+1.0	22,195	21,979	22,053	-0.6	+0.3
1975-76	26,761	27,040	27,586	+3.1	+2.0	23,027	23,067	23,937	+4.0	+3.8
1976-77	28,275	29,115	28,828	+2.0	-1.0	24,103	25,286	25,171	+4.4	-0.5
1977-78	31,032	30,365	30,386	-2.1	+0.1	26,713	26,510	26,121	-2.2	-1.5
1978-79	31,983	32,059	32,383	+1.2	+1.0	27,920	27,537	27,813	-0.4	+1.0
Cumulative Error[1]				+0.81	+0.53				-0.07	+0.34
Mean Predictive Error[2]				±2.53	±0.87				±2.47	±1.07
Associate Professors										
1972-73	$16,652	$16,204	$16,439	-1.3%	+1.5%	$15,960	$15,425	$15,385	-3.6%	-0.3%
1973-74	16,945	17,218	17,004	+0.3	-1.2	16,558	16,182	16,115	-2.7	-0.4
1974-75	17,839	17,756	17,876	+0.2	+0.7	17,000	16,889	17,077	+0.5	+1.1
1975-76	18,540	18,570	18,829	+1.6	+0.9	17,699	17,881	18,330	+3.6	+2.5
1976-77	19,499	19,672	19,524	+0.1	-1.3	18,558	19,294	19,026	+2.5	-1.4
1977-78	20,971	20,444	20,646	-1.5	+1.0	20,336	19,985	19,836	-2.5	-0.7
1978-79	21,406	21,609	21,943	+2.4	+1.5	20,994	20,941	21,227	+1.1	+1.3
Cumulative Error[1]				+0.26	+0.44				-0.16	+0.30
Mean Predictive Error[2]				±1.06	±1.16				±1.64	±1.10
Assistant Professors										
1972-73	$13,313	$12,999	$12,895	-3.1%	-0.8%	$12,873	$12,680	$12,652	-1.7%	-0.2%
1973-74	13,660	13,524	13,481	-1.3	-0.3	13,582	13,272	13,224	-2.6	-0.4
1974-75	14,271	14,119	14,032	-1.7	-0.6	13,897	13,840	13,941	+0.3	+0.7
1975-76	14,786	14,651	14,827	+0.3	+1.2	14,485	14,557	14,845	+2.5	+2.0
1976-77	15,297	15,530	15,509	+1.4	-0.1	15,119	15,586	15,371	+1.7	-1.4
1977-78	16,430	16,219	16,365	-0.4	+0.9	16,424	16,098	16,055	-2.2	-0.3
1978-79	16,962	17,164	17,447	+2.8	+1.6	16,859	16,842	17,058	+1.2	+1.3
Cumulative Error[1]				-0.29	+0.27				-0.11	+0.24
Mean Predictive Error[2]				±1.57	±0.79				±1.74	±0.90
Cumulative Error (All Ranks)				+0.26	+0.41				-0.11	+0.29
Mean Predictive Error (All Ranks)				±1.72	±0.94				±1.95	±1.02

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1. The Cumulative Error is derived by adding the seven minus (-) and plus (+) values together and dividing by seven.
2. The Mean Predictive Error is derived by adding the numerical values (ignoring the pluses and minuses) and dividing by seven.

show that either the University or the State University has been scheduled to receive increases higher than it should have received had there been no error in the data at all. Of the seven years surveyed, the increase indicated for the University was less than would have been warranted in four cases (and more in three) in the preliminary report, and less than would have been warranted in five cases in the final report. For the State University, the indicated increases were less than deserved in four of the years in the preliminary report and less than deserved in three cases in the final report.

It can be concluded that the accuracy of the predictive mechanism in the salary reports has been proven over the years. It is also evident that the final spring reports tend to reduce the margin of error reported in the fall. Finally, it appears that the predictions of actual salaries to be paid by the University's comparison group are slightly more accurate in both the preliminary and final reports than those for the State University's comparison group. Both the segments and governmental authorities, however, may be assured that the percentage increases required to attain parity for both University and State University faculty, as reported in this final report, are accurate to within 1 percent or less.

PROJECTED COST OF FRINGE BENEFITS AT THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES AND AT THEIR RESPECTIVE COMPARISON INSTITUTIONS

The projected 1979-80 cost of fringe benefits at the University of California and the California State University and Colleges are shown in Table 10.

Fringe benefits for faculty consist of retirement, social security, unemployment insurance, workman's compensation, health insurance, life insurance, and disability insurance. The largest cost component of the benefit package is retirement, which amounts to approximately 80 percent of all countable fringe benefits at the University and 70 percent at the State University. This single factor has a profound effect on the usefulness of the data in Table 10, since the employer's cost of providing a retirement program may bear only an indirect relationship to the benefits received by the employee.

There are, of course, many different kinds of retirement programs in operation across the country. Some are funded by public agencies, some through private associations, and others through insurance companies. In some cases, the public retirement program is self-contained within the institution (e.g., the University of California Retirement System--UCRS). In other cases, the program includes public agencies outside of postsecondary education (e.g., the Public

Employees Retirement System--PERS) which includes State University faculty and nonacademic employees along with most other State employees).

TABLE 10

ALL-RANKS AVERAGE COST OF FRINGE BENEFITS AT THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES, REQUIRED TO EQUAL THE COMPARISON INSTITUTION PROJECTIONS FOR 1979-80

Institution	Cost of Fringe Benefits in 1978-79	Comparison Institution Projected Cost of Fringe Benefits in 1979-80	Projected Percentage Increase Required: 1979-80
University of California	$5,948	$4,817	-19.02%[1]
California State University and Colleges	$5,543	$4,065	-26.67%[2]

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[1] Adjusted for the effect of a 12.64% range adjustment.

[2] Adjusted for the effect of a 10.10% range adjustment.

Because the payments to and the benefits from these fringe-benefit programs vary widely, it is virtually impossible to make a precise determination of the benefits received by analyzing dollar contributions. Additionally, there are the problems of vesting and portability. Some retirement systems become vested with the employee after only a year or two, while others require considerably longer. A faculty member who works in one system for four years may not yet have his benefits vested, while a faculty member in another system may enjoy the vesting benefit. An employee who leaves a retirement program prior to vesting receives no benefits in spite of the fact that payments have been made by his or her employer. Further, some retirement programs permit an employee to carry the employer's contributions with him when he leaves for another employer; others do not. This feature, generally referred to as "portability," can be a major benefit, but it is not reflected in the cost figures that are currently used to indicate the relative status of University and State University faculty _vis-a-vis_ their comparison groups.

These factors tend to limit the usefulness of the fringe benefit figures shown; for this reason, the Commission urges that these data be used with the utmost caution. This is especially true of the data for State University faculty, since they are members of PERS and must share both payments and benefits with thousands of other State employees.

Such is the nature of cost comparisons for fringe benefits. At best, they are only very rough indicators of benefit levels; at worst, they are extremely misleading. Both the University and the State University have indicated this year that, regardless of the results of the comparison of their benefit packages to those of their comparison institutions, fringe benefits should correspond to those received by all other State employees. Given the inadequacies of the data in this area, this approach is probably the most equitable for both segments.

CONCLUSION

In concluding this discussion of faculty salaries and the cost of fringe benefits for the University of California and the California State University and Colleges, *it should be stated that all of the data indicate that the faculties in these segments are in a deficient economic position by any standard, criterion, or methodology that could be employed.* They are currently paid less than their counterparts at colleges and universities who perform similar functions, and have lost substantial ground in comparison to changes in the Consumer Price Index over the past ten years. Many years of experience have demonstrated that educational institutions are measured by the quality of their faculties and that the enviable reputation of California's institutions is largely due to the men and women who currently serve them. If that reputation and the educational quality it represents are to be maintained, a salary increase close to that suggested by the data in this report is certainly warranted.

CHAPTER II

CALIFORNIA COMMUNITY COLLEGES

The passage of Proposition 13 has so drastically changed the basic structure of Community College finance that a discussion of the subject of Community College faculty salaries now is imperative. With the State currently providing between 70 and 75 percent of the total State/local support for the Community Colleges, it appears appropriate to include Community College salaries in the annual reports on faculty salaries generally. This fact was recognized by the Legislative Analyst in his Analysis of the Budget Bill, 1979-80, in which he recommended " . . . that the California Postsecondary Education Commission (CPEC) be directed to include community college salaries and benefits in its annual report on faculty salaries."

Although the Analyst's recommendation was not directed to the 1979-80 budget cycle, Commission staff felt that the legislative fiscal committees would be assisted by a preliminary analysis of the subject during the current budget hearings. Such an analysis will have the advantages of providing data immediately and indicating the type of data that will be needed for a complete analysis. Accordingly, the following sections address themselves to a comparison between each of the three segments, a comparison between the California Community Colleges and community colleges nationally, and a discussion of the deficiencies of the existing data. It should also be noted that all of the data are for 1977-78, the most recent year for which data are available and apply only to full-time Community College faculty.

ORGANIZATION AND DESCRIPTION OF COMMUNITY COLLEGE SALARY STRUCTURES

Both the University and the State University have long maintained statewide salary schedules; the Community Colleges have not. Obviously, this is due to the fact that the four-year segments have central governing boards while the Community Colleges are governed by local district boards. This fact of independent governance for the two-year segment has produced salary schedules which are extraordinarily complex and almost totally unlike those in use for the other public segments.

The University and the State University use a class and rank structure that is common throughout postsecondary education (Professor, Associate Professor, Assistant Professor, and Instructor); the Community Colleges use structures that trace their antecedents to the elementary and secondary schools. As a result, Community College salaries are based first on the number of units completed or on the level of degree achieved (bachelor's, master's, or doctorate), and secondly on years of experience. To illustrate the differences, the 1977-78 salary structures for each of the four-year segments are shown in Table 1, together with the salary structure for a representative Community College district for the same year.

TABLE 1

FACULTY SALARY SCHEDULES FOR THE UNIVERSITY OF CALIFORNIA, THE CALIFORNIA STATE UNIVERSITY AND COLLEGES, AND THE GLENDALE COMMUNITY COLLEGE DISTRICT[1]

1977 - 1978

University of California

Instructor	$12,800
Assistant Professor	
Step 1	$15,100
Step 2	15,700
Step 3	16,600
Step 4	17,700
Step 5	18,700
Step 6	19,700
Associate Professor	
Step 1	$18,800
Step 2	19,800
Step 3	21,000
Step 4	22,500
Step 5	24,900
Professor	
Step 1	$22,600
Step 2	25,000
Step 3	27,400
Step 4	29,900
Step 5	32,400
Step 6	35,200

California State University and Colleges

Instructor	
Step 1	$13,008
Step 2	13,608
Step 3	14,256
Step 4	14,916
Step 5	15,624
Assistant Professor	
Step 1	$14,256
Step 2	14,916
Step 3	15,624
Step 4	16,356
Step 5	17,136
Associate Professor	
Step 1	$17,940
Step 2	18,792
Step 3	19,692
Step 4	20,628
Step 5	21,624
Professor	
Step 1	$22,656
Step 2	23,748
Step 3	24,888
Step 4	26,088
Step 5	27,348

California Community Colleges (Glendale Community College District)

Step	BA I	BA+42 or MA II	BA+56+MA III	BA+70+MA IV	BA+84+MA or PhD V
1	$13,130	$13,750	$14,430	$15,130	$15,860
2	13,650	14,270	15,000	15,720	16,490
3	14,200	14,880	15,610	16,350	17,150
4	14,780	15,470	16,240	17,010	17,840
5	15,340	16,090	16,870	17,680	18,550
6	15,960	16,730	17,540	18,390	19,280
7	16,630	17,410	18,240	19,130	20,060
8	17,270	18,090	18,990	19,890	20,860
9	17,960	18,820	19,740	20,690	21,700
10	18,670	19,580	20,530	21,510	22,560
11	19,430	20,370	21,370	22,390	23,460
12	--	21,170	22,200	23,270	24,390
13	--	--	23,090	24,220	25,390
20	--	--	--	--	26,040
27	--	--	--	--	26,690

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[1] The Glendale Community College District was chosen since its mean salary was closest to the statewide Community College mean in 1977-78.

Not only are the Community College schedules markedly different in type from those employed by the other segments, they are also quite different among themselves. Whereas the University and the State University use only four salary classifications (Professor, Associate Professor, Assistant Professor, and Instructor), the 70 Community College districts classify salary ranges in 119 different ways, the most common of which are shown below in Table 2.

TABLE 2

THE THIRTY MOST COMMON SALARY CLASSIFICATIONS EMPLOYED BY THE CALIFORNIA COMMUNITY COLLEGES, AND THE NUMBER OF DISTRICTS USING EACH

Classification	Number of Districts Using Classification
Appropriate Credential	9
BA	41
BA+15	6
BA+24	3
BA+28	3
BA+30	12
Less than MA	3
BA+30 or MA	9
BA+45 or MA	6
BA+45 or MA+15	5
BA+45	5
MA	34
BA+45+MA	6
MA+15	7
MA+60+MA or MA+30	4
BA+60+MA	14
BA+70+MA	3
BA+72+MA	4
MA+75 or MA+45	4
MA+30	7
MA+75+MA or MA+45	4
MA+45	8
MA+75+MA	5
MA+48	3
BA+80+MA	3
BA+90 or MA+60	6
BA+90+MA or MA+60	3
BA+90+MA	4
MA+60	5
PhD	24

The tremendous diversity in salary structures is not limited to the classifications alone but is also apparent within individual classifications. As an example, Table 3 shows the salary steps for the seven districts that employ the MA+30 classification.

TABLE 3

SALARY RANGES FOR THE SEVEN COMMUNITY COLLEGE DISTRICTS USING THE MA+30 SALARY CLASSIFICATION

	District						
Step	1	2	3	4	5	6	7
1	$15,963	$14,915	$15,880	$15,500	$16,674	$16,106	$14,527
2	16,642	15,585	16,515	16,250	17,406	16,795	15,155
3	17,349	16,256	17,150	17,000	18,138	17,478	15,762
4	18,086	16,925	17,785	17,750	18,870	18,166	16,410
5	18,855	17,596	18,420	18,500	19,602	18,852	17,088
6	19,656	18,266	19,055	19,250	20,334	19,538	17,667
7	20,492	18,936	19,690	20,000	21,066	20,225	18,295
8	21,363	19,607	20,325	20,750	21,798	20,912	18,923
9	22,270	20,276	20,960	21,500	22,530	21,596	19,552
10	23,217	20,946	21,595	22,250	23,262	22,284	20,180
11	24,204	21,617	22,230	23,000	23,994	22,970	20,850
12	25,232	22,287	22,865	23,750	24,726	23,657	21,437
13	—	22,957	23,500	—	25,458	—	22,064
14	—	23,627	23,500	—	—	—	—
15	—	24,297	23,500	—	—	—	—
16	—	24,967	23,810	—	—	—	—
17	—	25,638	23,810	—	—	—	—
18	—	—	23,810	—	—	—	—
19	—	—	24,120	—	—	—	—
20	—	—	24,120	—	—	—	—
21	—	—	24,120	—	—	—	—
22	—	—	24,430	—	—	—	—

The difference between the lowest and highest first steps of these ranges is 14.8 percent, in spite of the fact that the qualifications for them are the same. Using the same two districts (Columns 2 and 5 in Table 3), that difference grows to 15.3 percent after ten years of service. Also, faculty in the higher paying district received an 8.0 percent salary increase for the 1977-78 academic year while those in the lower paying district received a 6.4 percent increase, thus widening the gap between them.

According to the Chancellor's Office of the California Community Colleges, the mean salary paid to Community College faculty members in 1977-78 was $22,413.[1] This overall average, however, encompassed a wide range of differences among the various districts. Table 4 shows the mean salaries received by faculty members in the five highest- and five lowest-paying districts. All figures are weighted by the number of faculty receiving each salary.

TABLE 4

HIGHEST AND LOWEST SALARIES PAID BY
CALIFORNIA COMMUNITY COLLEGE DISTRICTS
1977 - 1978

District	Mean Salary	Number of Faculty in District
Highest		
San Joaquin Delta CCD	$24,657	193
San Mateo CCD	24,420	574
Contra Costa CCD	24,178	511
North Orange CCD	23,763	500
Saddleback CCD	23,748	143
Lowest		
Antelope Valley CCD	19,905	84
Fremont-Newark CCD	19,812	109
Cabrillo CCD	19,470	190
Lake Tahoe CCD	19,047	20
Palo Verde CCD	15,528	20

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[1] Faculty Salaries Paid, 1977-78, Chancellor's Office, California Community Colleges, Report No. 3, February 1978.

The average number of faculty in the five highest-paying districts is 384.2. The average number of faculty in the five lowest-paying districts is 84.6. From this, it appears that district size may be a factor in salary structures.

Table 5 (page 30) shows a distribution of all mean salaries paid for the sixty-eight reporting districts and compares them with the all-ranks averages[2] for the University of California and the California State University and Colleges, all for the 1977-78 academic year.

The number of Community College faculty members within various salary ranges is indicated in Table 6 (page 31). The table shows, for example, that 20 percent of all faculty received salaries between $25,001 and $26,000 in 1977-78.

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[2] "Mean Salaries" and "All Ranks Averages" are used interchangeably in this report. The difference in terminology is due to differences in segmental salary classifications.

TABLE 5

Distribution of Mean Salaries for Faculty in the California Community Colleges

1977-78

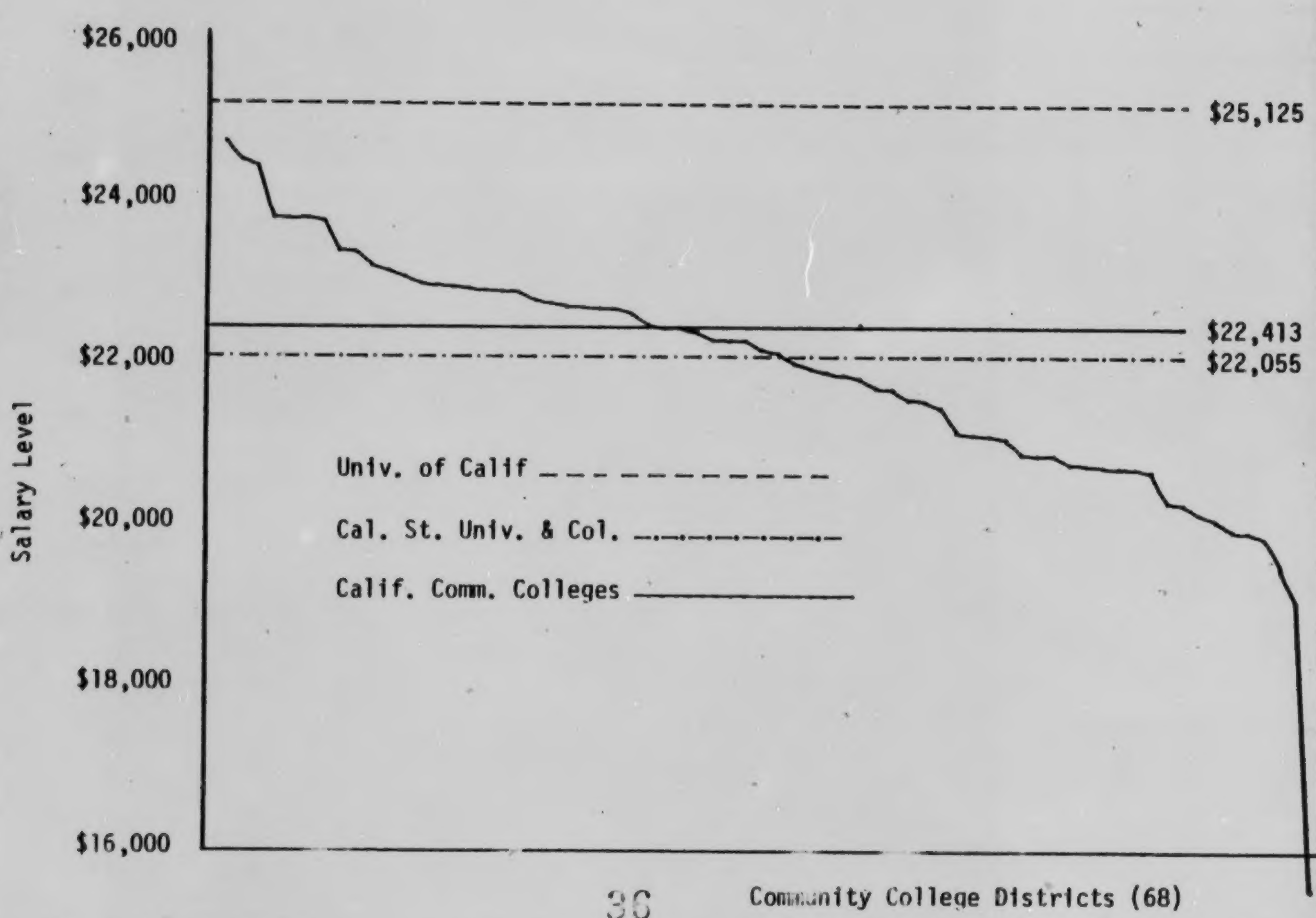


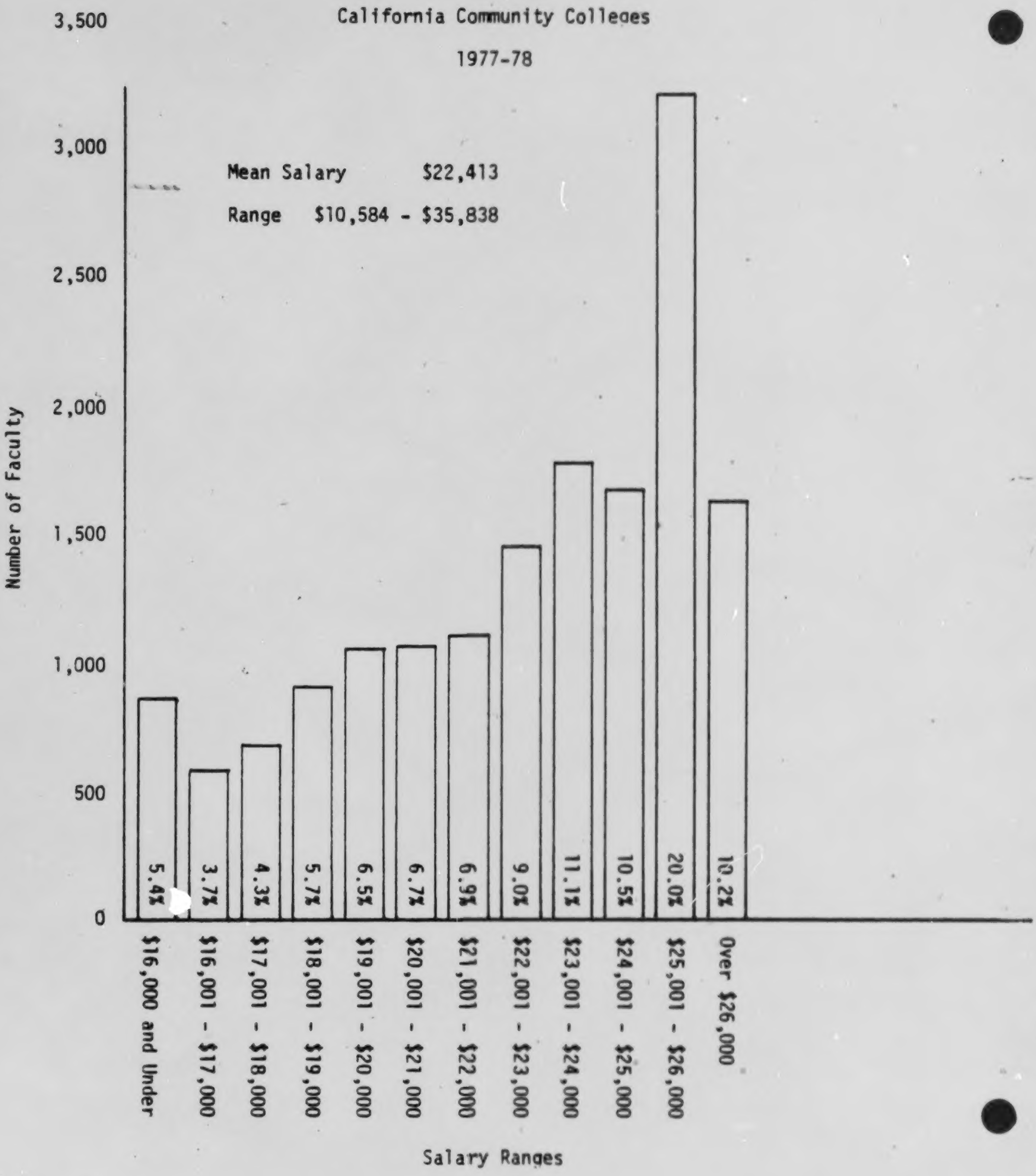
TABLE 6

Frequency Distribution for

Faculty Salaries in the

California Community Colleges

1977-78



COMPARISONS WITH THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES

For many years, at least since the passage of SCR 51, the Legislature has been interested in deriving a single average figure for salaries paid to faculty at the University and the State University. This desire led to the computation of "all ranks averages" for both segments, a computational device that is produced by multiplying the number of faculty receiving certain salaries by those salaries and then dividing by the number of faculty. In the Community Colleges Chancellor's Office report[3], the identical technique is used, thus permitting comparisons. For that year (1977-78) the respective mean salaries are as follows.

TABLE 7

ALL-RANKS AVERAGES AT THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITY AND COLLEGES AND MEAN SALARY IN THE CALIFORNIA COMMUNITY COLLEGES

1977 - 1978

University of California	$25,125
California State University and Colleges	$22,055
California Community Colleges	$22,413

What this table clearly shows is that the Community Colleges have now moved into second place in faculty salaries behind the University, and that the State University has fallen to third. In 1977-78, the University's average salary was 12.1 percent higher than the Community Colleges average and 13.9 percent higher than the State University average. The Community Colleges were 1.6 percent higher than the State University. Additionally, and though further research will be required to confirm this, it is probable that the Community Colleges are gaining relative to both of the other public segments. The average salary increase for the Community Colleges statewide in 1977-78 was 6.1 percent, while that for the two four-year segments was 5.0 percent. Further, the four-year segments received no salary increases for the current year (1978-79), while a recent decision of the California Supreme Court (Sonoma County Organization v. County of Sonoma) declared that the Legislature could not prohibit the granting of salary increases by local districts, including the Community Colleges. Given this, and assuming the Legislature does not grant retroactive salary increases to faculty in the four-year segments, it appears virtually certain that the relative standing of the Community Colleges will be improved further.

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[3] Faculty Salaries Paid, 1977-78.

COMPARISONS BETWEEN THE CALIFORNIA COMMUNITY COLLEGES AND COMMUNITY COLLEGES IN OTHER STATES

Additional perspectives may be gained by comparing California's Community Colleges with those in other states, a technique that has heretofore formed the primary basis for salary setting in California's four-year public segments.

According to the Legislative Analyst, " . . . a recent study by the American Association of University Professors [AAUP] indicates that salaries in the California Community Colleges are 27 percent above the average for two-year public institutions in the United States."[4] The AAUP report categorizes institutions in five different ways, depending on the type of institution involved. For example, Category III is for two-year institutions which use academic ranks, while Category IV is for two-year institutions which do not. Using the average salary paid by the California Community Colleges ($22,413) compared to the national average for public community colleges in Category IV ($17,630), the California Community Colleges are ahead by 27.1 percent, as indicated by the Analyst's report.

Unfortunately, this statistic is somewhat misleading since the California Community Colleges are part of the national average noted above ($17,630). If their salaries were removed, the national average would be considerably lower, with the result that the difference between the two would be greater than the 27.1 percent figure indicated.

One way to confirm this is to use the AAUP's rating system for compensation levels (including fringe benefits in this case) for Category IV institutions. This system specifies five categories: the first represents those institutions falling in the top 5 percent in the nation; the second, those in the top 20 percent; the third, in the top 40 percent; the fourth, in the top 60 percent; and the fifth, all but the lowest 20 percent. Nationally, forty Category IV institutions are listed in the top 5 percent in the nation; thirty-nine of those are California Community Colleges. The only exception is the Merrill-Palmer Institute in Detroit, Michigan, which is not a community college but a two-year graduate institute for doctoral candidates. (Its placement in Category IV is the result of its having a two-year program rather than a traditional curriculum.)

Even this, however, does not present the complete picture, since a great many community colleges across the country are placed in Category III. While it would be helpful to include them with the Category IV institutions, this is impossible since the AAUP does not list compensation ratings for institutions in this category.

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[4] AAUP Bulletin, "Report on the Annual Survey of Faculty Compensation, 1977-78," September 1978.

In an attempt to provide further clarity, it was decided to compare California with the next five most populous states in the nation, using both Category III and IV community colleges for comparison purposes and eliminating all other two-year institutions such as bible colleges, technical institutes, and graduate facilities. The results of this analysis are shown in Table 8 (page 34).

It might have been preferable to use mean salaries paid rather than the median indicated in Table 8, but such data were not reported by the AAUP. The fact that the salary for the California Community Colleges was shown as $22,413 in Tables 5, 6, and 7, rather than the $23,463 figure used in Table 8, is due to: (1) the difference between the median and the mean; and (2) the fact that the mean salary data were derived from the averages for the sixty-eight California districts rather than the averages for the ninety-five individual institutions nationally, as reported by the AAUP. In considering these four tables, the important thing is that the data be internally consistent between the California Community Colleges and the institutions with which they are compared. This consistency has been maintained in both Table 8 and those preceding it.

TABLE 8

COMPARISON OF MEDIAN SALARIES PAID IN THE CALIFORNIA COMMUNITY COLLEGES AND IN THE NEXT FIVE MOST POPULOUS STATES 1977 - 1978

State	Median Salary	Percentage Lead by California	Number of Institutions	Number of Faculty
California	$23,463	—	95	14,374
New York [1]	18,530	26.6%	41	4,830
Illinois	18,222	28.8	55	5,191
Ohio	17,177	36.6	23	1,211
Pennsylvania	16,581	41.5	21	1,767
Texas	14,929	57.2	37	5,543

Source: AAUP Bulletin, Vol. 64, No.3, September 1978.

1. The AAUP did not report data from the City University of New York's (CUNY) eight community colleges which have traditionally paid higher salaries than the national average. However, for the 1976-77 year, salaries were reported and averaged $21,300 for eight colleges. The mean salary for the California Community Colleges in 1976-77 was $20,838. Thus, it is certain that California's lead over New York was somewhat less than the 26.6 percent noted in the table.

The final table in this section shows the forty-two highest paying community colleges in the nation, the median salaries paid to faculty, and the number of faculty at each institution, for the 1977-78 fiscal year.

TABLE 9

COMMUNITY COLLEGES IN THE UNITED STATES PAYING THE HIGHEST FACULTY SALARIES[1] 1977 - 1978

	Institution	State	Median Salary	Faculty Size
1.	Fullerton College	California	$26,500	255
2.	Diablo Valley College	"	26,400	247
3.	Contra Costa College	"	26,200	135
4.	Los Angeles Harbor College	"	25,800	175
5.	Los Angeles Pierce College	"	25,700	302
6.	San Joaquin Delta College	"	25,700	203
7.	San Mateo, College of	"	25,500	229
8.	Cerritos College	"	25,400	268
9.	Los Angeles Valley College	"	25,400	272
10.	Cañada College	"	25,300	90
11.	East Los Angeles College	"	25,300	201
12.	Los Angeles Trade Technical	"	25,300	258
13.	Los Angeles City College	"	25,100	300
14.	Citrus College	"	24,700	117
15.	Cypress College	"	24,700	195
16.	Orange Coast College	"	24,700	326
17.	Saddleback Community College	"	24,600	143
18.	Monterey Peninsula College	"	24,400	107
19.	Pasadena City College	"	24,400	343
20.	Chabot College	"	24,200	250
21.	El Camino College	"	24,100	363
22.	Long Beach City College	"	24,000	275
23.	West Valley College	"	24,000	260
24.	Nassau Community College	New York	23,900	435
25.	Westchester Community College	"	23,900	181
26.	Evergreen Valley College	California	23,800	86
27.	Shasta College	"	23,800	134
28.	Bakersfield College	"	23,800	250
29.	Henry Ford Community College	Michigan	23,700	208
30.	Washtenaw Community College	"	23,700	119
31.	Merritt College	California	23,700	151
32.	Taft College	"	23,700	28
33.	City College of San Francisco	"	23,600	450
34.	College of the Siskiyous	"	23,600	46
35.	Foothill College	"	23,600	185
36.	Santa Barbara City College	"	23,600	154
37.	Santa Rosa Junior College	"	23,500	182
38.	Santa Monica College	"	23,500	194
39.	Chaffey College	"	23,500	199
40.	Golden West College	"	23,400	245
41.	College of the Desert	"	23,400	106
42.	Montgomery College	Maryland	23,400	73

Source: AAUP Bulletin, Vol. 63. No. 3, August 1977.

[1] As with Table 8, figures for the eight community colleges of the City University of New York were not reported for 1977-78. However, in 1976-77, 38 California Community Colleges had higher mean salaries than the CUNY system as a whole. Taken individually the three highest ranking community colleges in the CUNY system would have ranked 17th, 24th, and 32nd.

Of the forty-two institutions listed, thirty-seven are in California, including the top twenty-three.

DEFICIENCIES IN THE DATA

The Commission wishes to stress that this report on Community College faculty salaries is only preliminary, and that major refinements will have to be introduced before precise recommendations on appropriate salary levels for Community College faculty can be developed. There are several reasons for this caution.

The data published by the AAUP are not formulated in a way that permits direct dollar-for-dollar comparisons with the data published by the Community Colleges Chancellor's Office. While the Chancellor's Office uses weighted means for each of the districts, in much the same way that all-ranks averages are computed for the University and the State University, the AAUP lists only median salaries for individual institutions (in both Categories III and IV), with little explanation as to the exact procedures by which those medians were derived. Accordingly, it will be necessary to obtain information directly from a number of community colleges in other states before precise comparisons, in which it is possible to have any real confidence, can be derived. This will involve a process similar to the data collection efforts currently employed for California's four-year public segments.

In addition to these difficulties, the published report from the Chancellor's Office, although it has been extremely helpful in developing this report, could also be improved. While systemwide figures are published, two districts reported neither the number of faculty employed nor mean salaries. In addition, many districts listed salary bonuses for faculty with Master's and Doctorate degrees while others listed complete ranges for holders of these degrees. In some cases, it was difficult to determine if the bonuses were included in the salaries listed or should have been added, since no clarifying explanations were included. Further, although some districts listed a number of different salary classifications, all faculty were lumped into a single classification for reporting purposes. This made any determination of ranges impossible. Finally, several districts listed the ranges in a manner similar to that shown in Table 2, but failed to specify what educational qualifications were necessary for each range.

In spite of these deficiencies, the salary comparisons made are still useful in describing the general position of the Community Colleges relative to the University and the State University and to the two-year institutions in other states. The problem is one of establishing precision at a level comparable to that achieved for the four-year public segments in relation to their groups of comparison institutions.

FINDINGS

In this preliminary review of faculty salaries in the California Community Colleges, several facts have been revealed:

1. For the 1977-78 fiscal year, the mean salary paid to faculty in the California Community Colleges exceeded the mean salary paid to faculty in the California State University and Colleges by $358, or 1.6 percent.

2. For the 1977-78 fiscal year, the mean salary paid to faculty in the University of California exceeded the mean salary paid to faculty in the California Community Colleges by $2,712, or 12.1 percent.

3. Given the absence of a salary-range adjustment for the University of California and the California State University and Colleges in the 1978-79 fiscal year, and the recent California Supreme Court decision permitting salary increases by local entities, including Community College districts, the gap between the Community Colleges and the State University has probably widened, while that with the University has probably narrowed.

4. Faculties in the California Community Colleges have a considerable salary advantage over other community colleges nationwide. According to the Bulletin of the American Association of University Professors, the twenty-three highest-paying community colleges in the nation are all in California.

5. In comparing the average salaries paid to California Community College faculty with community college faculty in other states, California (in 1977-78) led New York by 26.6 percent, Illinois by 28.8 percent, Ohio by 36.6 percent, Pennsylvania by 41.5 percent, and Texas by 57.2 percent. However, since the AAUP data did not include the City University of New York, which has eight community colleges and relatively high salary levels, it is probable that California's lead over New York is somewhat less than the 26.6 percent reported.

6. Within the California Community College system, there are considerable differences between districts in the average faculty salaries paid. The difference between the five highest paying districts and the five lowest paying districts is 24.3 percent.

ADDENDUM

Two other items are new to the final report on faculty salaries for 1979-80. They are: (1) a report by the University of California on medical faculty salaries, and (2) a discussion of the Legislative Analyst's comments on faculty salaries in his *Analysis of the Budget Bill, 1979-80*.

Item 322 of the 1978 Conference Committee's Supplemental Report on the Budget Bill directed that:

> The University of California shall report to the California Postsecondary Education Commission annually on (1) its full-time clinical faculty salaries and those of its comparison institutions (inlcuding a description of the type of compensation plans utilized by each UC school and each comparison institution, and (2) the number of compensation plan exceptions in effect at each UC school.

This report is included as Appendix G.

Appendix H contains Commission staff's analysis of the Legislative Analyst's comments on faculty salaries. Although the Analyst's discussion is extremely important to the subject of faculty salaries, both it and the staff response are of such a technical nature that it was decided to append it rather than extend an already lengthy text.

APPENDICES

FACULTY SALARIES AND THE COST OF FRINGE BENEFITS

A - Senate Concurrent Resolution No. 51, 1965 General Session

B - House Resolution No. 250, 1964 First Extraordinary Session

C - Methodology Employed by the California Postsecondary Education Commission for Preparation of the Annual Reports on University of California and California State University and Colleges Faculty Salaries and Cost of Fringe Benefits

D - University of California and California State University and Colleges Comparison Institutions, 1966-67 - 1979-80

E - University of California Salaries and Cost of Fringe Benefits, 1979-80

F - California State University and Colleges Salaries and Cost of Fringe Benefits, 1979-80

G - Report on Medical School Clinical Compensation Plans and Clinical Faculty Salaries, University of California and Comparison Institutions

H - An Analysis of the Report by the Legislative Analyst

I - Letter From Vice President Kleingartner to Director Callan

J - University of California Supplementary Information

K - California State University and Colleges Supplemental Information

APPENDIX A

Senate Concurrent Resolution No. 51, 1965 General Session

Senate Concurrent Resolution No. 51, 1965 General Session-- Relative to academic salaries and welfare benefits.

WHEREAS, The Joint Legislative Budget Committee pursuant to House Resolution No. 250, 1964 First Extraordinary Session, has had prepared and has adopted a report of the Legislative Analyst containing findings and recommendations as to salaries and the general economic welfare, including fringe benefits, of faculty members of the California institutions of higher education; and

WHEREAS, The study of the Joint Legislative Budget Committee found that the reporting of salaries and fringe benefits as it has been made previously to the Legislature has been fragmentary and has lacked necessary consistency, with the result that the Legislature's consideration of the salary requests of the institutions of higher learning has been made unnecessarily difficult; and

WHEREAS, The report recommends that the Legislature and the Governor should receive each December 1 a report from the Coordinating Council for Higher Education, plus such supplementary information as the University of California and the California State Colleges desire to furnish independently, containing comprehensive and consistently reported information as outlined specifically in the report adopted by the Joint Legislative Budget Committee; and

WHEREAS, The reporting recommended by the committee would include essential data on the size and composition of the faculty, the establishment of comprehensive bases for comparing and evaluating faculty salaries, the nature and cost of existing and desired fringe benefits, the nature and extent of total compensation to the faculty, special privileges and benefits, and a description and measurement of supplementary income, all of which affect the welfare of the faculties and involve cost implications to the state now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Coordinating Council for Higher Education in cooperation with the University of California and the California State Colleges shall submit annually to the Governor and the Legislature not later than December 1 a faculty salary and welfare benefits report containing the basic information recommended in the report of the Joint Legislative Budget Committee as filed with the President of the Senate and the Speaker of the Assembly, under date of March 22, 1965.

APPENDIX B

House Resolution No. 250, 1964 First Extraordinary Session

House Resolution No. 250

Relative to the economic welfare of the faculties of the California Public Institutions of Higher Education

WHEREAS, The Master Plan for Public Higher Education strongly recommended that every effort be made to ensure that the institutions of higher education in California maintain or improve their position in the intense competition for the highest quality of faculty members; and

WHEREAS, The Coordinating Council for Higher Education in its annual report to the Governor and the Legislature regarding level of support for the California State Colleges and the University of California recommended that funds should be provided to permit at least an additional 5 percent increase in academic salaries for the California State Colleges and the University of California; and

WHEREAS, The Trustees of the California State Colleges in their annual report to the Legislature declared that the California State Colleges are falling far behind in the face of this competition and that by 1964-65 faculty salaries will be lagging 14 to 18 percent behind those of comparable institutions; and

WHEREAS, Greatly increasing enrollments in institutions of higher education in California during the next decade will cause a demand for qualified faculty members which cannot possibly be met unless such institutions have a recruitment climate which will compare favorably with other colleges, universities, business institutions, industry, and other levels of government; and

WHEREAS, California has achieved an enviable momentum in business and industrial development, a momentum now threatened by lagging faculty salaries so that failure to maintain adequate salary scales for faculty members in California institutions of higher education would be false economy; and

WHEREAS, There have been widespread reports from the State College and University campuses that higher salaries elsewhere are attracting some of the best faculty members from the California institutions of higher education, and if such academic emigration gains momentum because of inadequate salaries, the effect will disrupt the educational processes and result in slower economic growth, followed by lower tax revenues; and

WHEREAS, The Legislature has a continuing interest in the difficult and pressing problems faced by the California institutions of higher education in attracting and maintaining outstanding faculty members in a period of stiff competition and rapid growth; and

WHEREAS, The State's investment in superior teaching talent has been reflected in California's phenomenal economic growth and has shown California taxpayers to be the wisest of public investors, but unless the superiority in faculty quality is maintained, the contributions by the California institutions of higher education to the continued economic and cultural development of California may be seriously threatened; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF CALIFORNIA, That the Assembly Committee on Rules is directed to request the Joint Legislative Budget Committee to study the subject of salaries and the general economic welfare, including fringe benefits, of faculty members of the California institutions of higher education, and ways and means of improving such salaries and benefits in order that such California institutions of higher education may be able to compete for the talent necessary to provide the highest quality of education, and to request such committee to report its findings and recommendations to the Legislature not later than the fifth legislative day of the 1965 Regular Session.

A RECOMMENDED METHOD FOR REPORTING TO THE LEGISLATURE ON FACULTY SALARIES AND OTHER BENEFITS AT THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE COLLEGES

(Pursuant to HR 250, 1964 First Extraordinary Session)

Prepared by the

Office of the Legislative Analyst
State of California

January 4, 1965

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INTRODUCTION

The purpose of this staff report is to recommend a method for reporting to the Legislature on salaries, fringe benefits and other special economic benefits for faculties of the University of California and the California State Colleges. This report has been prepared by the Joint Legislative Budget Committee in response to House Resolution 250 (1964 First Extraordinary Session, Appendix 1)[1] which resolved:

> "That the Assembly Committee on Rules is directed to request the Joint Legislative Budget Committee to study the subject of salaries and the general economic welfare, including fringe benefits, of faculty members of the California institutions of higher education, and ways and means of improving such salaries and benefits in order that such California institutions of higher education may be able to compete for the talent necessary to provide the highest quality of education, and to request such committee to report its findings and recommendations to the Legislature not later than the fifth legislative day of the 1965 Regular Session."

Staff of the Joint Legislative Budget Committee initiated its study by seeking information which would reflect the magnitude of California's long-range and immediate problems regarding the need to recruit and retain an adequate number of high quality faculty. While reviewing past reports presented to the Legislature as justification for salary increase recommendations by the Coordinating Council for Higher Education, the University of California and the California State Colleges, it became apparent that the first step in trying to improve faculty salaries and other benefits is to furnish the Legislature with comprehensive and consistent data which identify the nature and level of competitive benefits. The costs associated with recommendations, rated according to priority, should be included in proposals by the segments in order to aid the Legislature in determining how much to appropriate and the benefits which an appropriation will buy.

There has existed in the past a difference between what the institutions have recommended as the need for salary and benefit increases and what has finally been appropriated by the Legislature. There are two principal reasons for this difference which at times may be closely related: (1) The Legislature may disagree with what is proposed as to need, or (2) there may not be enough funds to meet the need because of higher priorities in other areas of the budget.

These needs are very complex and, for example, include such factors as:

1. Disagreement with conclusions drawn from data submitted in justification of recommendations;
2. Lack of confidence in the quantity, quality, or type of data;
3. The failure of advocates to make points which are concise and clearly understandable;
4. The submission of conflicting data by legislative staff or the Department of Finance.

After careful consideration, it was determined that a special report should be made to the Budget Committee containing recommendations as to the kind of data the Legislature should be furnished for the purpose of considering salary and other benefit increases.

On August 5, 1964 a letter (Appendix 2) was sent from the Legislative Analyst to the Coordinating Council for Higher Education, the University of California, the California State Colleges, the Department of Finance and various faculty organizations informing them that the Joint Legislative Budget Committee was planning to hold a public hearing in connection with HR 250 and asking for replies to a series of questions designed to gather background information about salary and fringe benefits data (Appendix 3, Copies of Replies Received). The primary purpose of the hearing was to provide the University of California, the California State Colleges and interested groups the opportunity to indicate the basis on which salary and fringe benefits should be reported to the Legislature, including the kind of data to be compiled and who should compile and publish it (Appendix 4, Copies of Prepared Testimony Filed with the Joint Legislative Budget Committee at the October 15, 1964 Hearing). The contents of most of the prepared statements discussed problems and in some instances recommendations relating to faculty salaries and other benefits rather than the primary purpose of the hearing, but the testimony did serve to identify areas of concern. The hearing also established legislative interest in the subjects of faculty workload and sources of supplementary income.

The review of past faculty salary reports, the replies to the Legislative Analyst's letter of August 5, 1964, the oral and prepared statements received at the October 15, 1964 hearing of the Joint Legislative Budget Committee and other sources have revealed significant findings and permitted the development of recommendations concerning the type of information and method of presentation that should be included in future faculty salary reports prepared for the Legislature.

BACKGROUND

Current procedures for review of faculty salary and other benefit increase proposals, starting with the presentation of recommendations by state colleges and University of California administrative officials to their respective governing boards, appear generally to be adequate, with minor reservations. The State College Trustees and the Regents of the University of California generally formulate their own proposals in December and forward them to the State Department of Finance for budget consideration. Concurrently the Coordinating Council for Higher Education also makes a report with recommendations which is made available to the State Department of Finance. The Governor and the Department of Finance consider these salary increase proposals in relation to the availability of funds and their own analysis of faculty salary needs and decide how much of an increase, if any, to include in the Governor's Budget. The Legislative Analyst in the *Analysis of the Budget Bill* provides analysis and recommendations as to the Governor's budget proposal.

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[1] Appendices deleted.

When appropriate legislative committees hear the budget request for faculty salary increases they may be confronted with several recommendations from various sources. Their first responsibility is to consider the Governor's recommendations in the Budget Bill. However, the University and the California State Colleges generally request the opportunity to present their own recommendations, which frequently differ from the Governor's proposal. Also, the Coordinating Council for Higher Education presents its recommendations. Various faculty organizations may desire to make independent proposals. The Legislature has been cooperative in providing all interested parties the opportunity to present their views, but these presentations have been marked by extreme variations in recommendations and in the data which support the requests.

WHO SHOULD PREPARE FACULTY SALARY REPORTS

There appears to be some difference of opinion concerning the purpose of faculty salary reports and recommendations prepared by the Coordinating Council for Higher Education. The University of California and the California State Colleges contend that they should make direct recommendations to the Governor and the Legislature and that Coordinating Council recommendations should be regarded as independent comments. Conversely, the Department of Finance and the Coordinating Council for Higher Education believe that salary reports and recommendations of the Coordinating Council should be the primary report submitted to the Department of Finance and the Governor to consider in preparing budget recommendations. The Department of Finance states that such a report should be regarded as similar in status to the annual salary report relating to civil service salaries prepared by the State Personnel Board for the Governor and the Legislature. It is our opinion that the Legislature should give specific and primary consideration to the recommendations in the Governor's Budget and to the annual faculty salary report of the Coordinating Council for Higher Education. However, any separate recommendations of the University of California and the California State Colleges should also be considered.

WHAT FACULTY SALARY REPORTS SHOULD CONTAIN

We do not believe that reporting required of the University, the California State Colleges, and the Coordinating Council for Higher Education should limit the right of these agencies to emphasize specific points in supporting their own recommendations. However, the Legislature should take steps to establish a consistent basis upon which it will receive comprehensive information about faculty salaries, other benefits, and related subjects from year to year. After careful consideration of the statistical and other grounds presented in support of salary and other benefit increase proposals in the past, we recommend that basic data be included in faculty salary reports to the Legislature in a consistent form in the following areas:

A. Faculty Data
B. Salary Data
C. Fringe Benefits
D. Total Compensation
E. Special Privileges and Benefits
F. Supplementary Income

Since it is necessary for staff of the executive and legislative branches of government to analyze recommendations prior to the commencement of a legislative session, all reports and recommendations should be completed by December 1 of each year.

A. Faculty Data

1. Findings
    a. Informative data about the size, composition, retention, and recruitment of California State College faculty has been presented to the Legislature from time to time, but usually it has been so selective that it lacks objectivity and has been inconsistent from year to year.
    b. Superior faculty performance has not been demonstrated as a reason to justify past requests for superior salaries.
2. Recommendations

The following data should be compiled and presented annually on a consistent basis. Definitions of what constitutes faculty are left to the discretion of the University and the state colleges but should be clearly defined in any report. Additional data may be included in any given year to emphasize special problems, but such data should supplement not replace the basic information recommended below. Graphs should be used when practical, accompanied by supporting tables in an appendix. Recommended faculty data includes:

a. The number of faculty, by rank and the increase over the previous five years to reflect institutional growth.

b. Current faculty composition expressed in meaningful terms, including but not limited to the percentage of the faculty who have PhD's.

c. Student-faculty ratios as a means of expressing performance.

d. Data relating to all new full-time faculty for the current academic year including the number hired, source of employment, their rank and highest degree held. Existing vacancies should also be noted. Pertinent historical trends in these data should be analyzed. We do not believe that subjective and incomplete data estimating reasons for turning down offers, such as has been presented in the past, serves any useful purpose.

e. Faculty turnover rates comparing the number of separations to total faculty according to the following suggested categories; death or retirement, to research or graduate work, intra-institutional transfers, other college or University teaching, business and government, other.

3. Comments

The first three recommendations above are designed to reflect faculty size, composition, rate of growth, and workload. The inclusion of consistent data from year to year will facilitate trend analysis as it relates to the institutions involved and, when possible, to comparable institutions. The purpose of including data on new faculty and faculty turnover is to provide a quantitative base for discussions of problems relating to faculty recruitment and retention. It may also be beneficial to include some basic statistics about the available supply of faculty to see what proportion of the market, new PhD's for example, California institutions hire every year.

B. Salary Data

1. Findings

a. The University for several years has exchanged salary data to provide a consistent comparison with a special group of five "eminent" universities, as well as with a group of nine public universities. Conversely, the California State Colleges have not yet established a list of comparable institutions which is acceptable to them.

b. Both the University of California and the Coordinating Council for Higher Education maintain that salary comparisons to appropriate institutions is the best single method of determining salary needs.

c. The University of California places less significance on salary comparisons with nonacademic employment than the Coordinating Council on Higher Education and the California State Colleges.

d. Salary increases have been proposed on the basis of differentials between total compensation (salaries plus fringe benefits) in comparable institutions.

e. Both the University and the California State Colleges have tended to relate the size of proposed salary increases to how much of an increase would be necessary to return to a specific competitive position which existed in 1957-58 and which was unusually advantageous.

f. Salary comparisons have frequently been made to various levels of teaching including elementary, high school, and junior college salaries.

g. Methods of salary comparisons with oth institutions have varied from year to year i reports prepared by the state colleges.

2. Recommendations

a. We recommend that proposed faculty salar increases distinguish between: (1) increases necessary to maintain the current competitive position and (2) increases to improve the current competitive position.

(1) Proposed increases to maintain the existing competitive position should be equivalent to a projection of the average salary relationship between the University, or state colleges, and comparable institutions during the current fiscal year to the next fiscal year. We recommend that this projection be based on a projection of actual salary increases by rank in comparable institutions during the past five years, permitting statistical adjustments for unusual circumstances. Thus the proposed increase to maintai the existing competitive position woul in effect, be equal to the average of annual salary increases in comparable institutions during the past five years. A record of the accuracy of projections should be maintained in an appendix.

(2) Recommendations to improve the current competitive positions should be related to the additional advantages to be derived.

b. It is also recommended that the California State College Trustees select a list of com parable institutions within the next year and that agreements be negotiated to exchange salary data in a form which will facilitate comparisons. A list of the criteria used to select comparable institutions, plus characteristics of the institutions selected, should be included in next year's report.

c. Specific proposals for salary increases should be accompanied by comparisons of current salary amounts and historic trends to comparable institutions. The following general principles are considered to be important:

(1) Salary data should be separated from fringe benefit and special benefit data for purposes of reporting salary comparisons.

(2) A consistent form should be used from year to year to present salary data. A suggested form might be to illustrate a five-year historic trend in average salaries by using a line graph for each rank. An alternative might be a table which simply shows where California ranked among comparable institutions during the past five years.

The current salary position might best be illustrated by showing a list of average salaries of the California institutions and the other comparable institutions from the highest to the lowest average, by rank, for the last actual and current years. This will show the relative position of the California institution for the last actual and current years, as well as the range of averages. Frequency distributions of faculty by rank or professor should be incorporated in an appendix and any significant limitations in the use of averages between those particular institutions in a given year should be noted. For example, an unusual proportion of faculty in the high ranks or the low ranks would affect the comparability of the arithmetic means.

(3) Special data to illustrate a particular problem in any given year would be appropriate as long as it supplements, rather than replaces, basic salary data.

d. Finally, it is recommended that salary data be reported in a form by rank which compensates for differences in faculty distributions.

C. Fringe Benefits

1. Findings

a. The definition of fringe benefits generally includes benefits available to all faculty that have a dollar cost to the employer. Benefits and services in kind are considered to be fringe benefits only if a cash payment option is available. Retirement and health insurance, by definition, are the only two programs considered as fringe benefits by the University of California and the California State Colleges.

b. Comparisons of fringe benefits, when comparisons have been made at all, have generally been limited to the dollar contribution by the employer and have not included any analysis of the quality of the benefits to the employee.

2. Recommendations

a. It is recommended that fringe benefit comparisons of type of benefit be included in faculty salary reports, but compared separately from salaries. Such comparisons should include an analysis of the quality of the benefits as well as the dollar cost to the employer.

b. Proposals to increase specific fringe benefits should be made separately from salaries, including separate cost estimates.

3. Comments

Separate proposals for increases in salaries and fringe benefits should be made to minimize misunderstanding about competitive positions. For example, information submitted to the 1963 Legislature by the University of California, in support of a proposed salary increase for 1963–64, compared total compensation data (salaries plus fringe benefits) rather than salaries alone. This report stated in part: "In comparing salaries, fringe benefits must be taken into account. Salary comparisons between the University and other institutions based on salary *alone* look far more favorable than comparisons of salaries *plus benefits*." The least favorable comparison was with fringe benefits, not salaries, thus the report recommended a salary increase largely on the basis of a difference in fringe benefits. Although it is felt that comparisons of total compensation are appropriate inclusions in a faculty salary report, such data should only be in addition to rather than in place of separate analyses of the current competitive position in salaries and fringe benefits.

D. Total Compensation

1. Findings

a. Total compensation data consists of average salaries plus a dollar amount representing the employer's cost of fringe benefits.

b. The Coordinating Council for Higher Education, the University of California and the California State Colleges have in the past all used total compensation data prepared and published by the American Association of University Professors in their respective faculty salary reports.

2. Recommendations

We recommend that total compensation data, as reported by the American Association of University Professors, be included in faculty salary reports as a supplement to separate salary and fringe benefit information.

E. Special Privileges and Benefits

1. Findings

There are other faculty privileges and economic benefits which are not classified as fringe benefits because they may not be available to all faculty or fit the definition of a fringe benefit in some other respect. Examples at the University of California include up to one-half the cost of moving expenses, vacations for 11-month appointees, the waiving of nonresident tuition for faculty children, sabbatical leaves with pay, and other special and sick leaves with or without pay.

2. Recommendations

It is recommended that a list of special privileges and benefits be defined and summaries of related policies be included in a special section in future faculty salary reports so that the Legislature will be aware of what these privileges and benefits include.

3. Comments

The expansion or establishment of some of these special privileges and benefits could improve recruiting success more than the expenditure of comparable amounts in salaries. For example, moving expenses are not currently offered by the state colleges but some allowance might make the difference of whether a young candidate from the East could accept an appointment. If this type of benefit is proposed, it must include adequate controls.

F. Supplementary Income

1. Findings

a. The multiple loyalties created by permitting faculty to supplement their salaries by earning extra income from various sources within and outside his college or University is recognized as a problem common to institutions of higher education throughout the United States.

b. There apparently are proportionately more private consulting opportunities in California than in other areas of the nation. For example, 51 percent of the federal research defense contracts were concentrated in California during 1963–64.

c. The University of California has general policies designed to insure that outside activities do not interfere with University responsibilities. If outside activities interfere with University responsibilities, the faculty member generally must take a leave of absence without pay until such outside activities are completed. These and other related University policies were praised in a 1956 Carnegie-financed study titled *University Faculty Compensation Policies and Practices.*

d. The Coordinating Council for Higher Education submitted excerpts from nationwide studies relating to the magnitude of outside activities. We have no way of determining how the data may relate to California, but if the figures are reasonable, then it appears that probably a large percentage of facul have at least one source of extra incom Sources of income were reported are follows:

Source	*Percent of facul earning addition income from sourc*
Lecturing	31%
General writing	28
Summer and extension teaching	25
Government consulting	18
Textbook writing	16
Private consulting	12
Public service and foundation consulting	9
Other professional activities	13

Source: University Faculty Compensation Policies and Practices in the U. S., Association of American Universities, University of Illinois Press, Urbana, 1956.

e. The United State Office of Education has just completed a nationwide sample survey of outside earnings of college faculty for 1961-62. Although data has not been published yet, special permission has been received to report the following results which are quoted from a letter sent to the Legi lative Analyst on December 8, 1964 from t staff of the California State College Trustees:

OUTSIDE EARNINGS OF TEACHING FACULTY ON ACADEMIC YEAR CONTRACTS (9–10 MONTHS)

The U. S. Office of Education has just completed a nationwide survey of outside earnings by a sampling of all college faculty nationwide for 1961–62. The results are as follows:

	Percent	*Average earnings*
All with outside earnings	74	$2,200
Summer teaching	44	1,300
Other summer employment	11	1,800
Other teaching	13	900
Royalties	8	1,200
Speeches	9	200
Consultant fees	13	1,400
Retirement (individuals who have retired who teach elsewhere after retiring)	1	3,400
Research	7	1,800
Other professional earnings	10	1,200
Non-professional earnings	8	1,700

The highest average earnings by teaching field and the percentage with outside earnings are:

	Percent	*Average earnings*
Law (which we do not have)	78	$5,300
Engineering	83	3,200
Business and Commerce	78	2,900
Physical Sciences	80	2,900
Agriculture	71	2,800
Psychology	85	2,700

In light of the Joint Committee discussion you might be interested in the following:

	Percent	*Average earnings*
Social Sciences	74	$1,900
Fine Arts	74	1,600
Philosophy	74	1,500
Religion and Theology	78	1,200

2. Recommendations

a. We recommend that the Coordinating Council for Higher Education, the University of California and the California State Colleges cooperate in determining the extent to which faculty members participate in extra activities to supplement their nine-month salaries including information as to when extra activities are usually performed (such as vacations, etc.). Such activities would include, but not be limited to, lecturing, general writing, summer and extension teaching, government consulting, textbook writing, private consulting, public service and foundation consulting, and other professional activities. If such a study suggests that the magnitude of these activities is such that the performance of normal University and state college responsibilities are perhaps being adversely affected, then consideration should be given to the possibility of maintaining more complete and meaningful records. Such records would aid administrative officials and academic senates when reviewing recommendations for promotions and salary increases and provide summary data for reporting to the Legislature on these significant faculty welfare items. Next year's faculty salary report of the Coordinating Council for Higher Education should incorporate the results of this study.

b. We also recommend that existing state college policies and enforcement practices regarding extra employment be reviewed and updated.

c. Finally, it is recommended that faculty salary reports keep the Legislature informed about policies and practices relating to extra employment.

3. Comments

In our opinion, it would seem that any extra employment would affect the quality of performance of University responsibilities since faculty surveys indicate that the average faculty workweek is 54 hours. The time spent on activities for extra compensation (except during the summer) would be on top of what the faculty has defined as their average workweek. Because, in some instances, it is difficult to determine whether a given income-producing activity, such as writing a book, is considered a normal University responsibility or an extra activity, distinctions between normal and extra activities need to be more clearly defined.

Much of the outside compensation received by faculty comes in the form of grants made directly to the faculty member rather than through the University or colleges. There is no regular reporting of these grants or the personal compensation which they provide to faculty, and the colleges and University do not consider the reporting of such income to be feasible. It may be desirable to encourage the Congress to direct that greater number of grants made by United States agencies for research be made directly to academic institutions.

APPENDIX C

Methodology Employed by the California Postsecondary Education Commission for Preparation of the Annual Reports on University of California and California State University and Colleges Faculty Salaries and Cost of Fringe Benefits

California Postsecondary
Education Commission

June 13, 1977

Resolution 17-77

Concerning the Methodology Employed for the California Postsecondary Education Commission's Annual Reports on Faculty Salaries and Fringe Benefits

WHEREAS, The University of California and the California State University and Colleges have expressed reservations with the methodology used for the California Postsecondary Education Commission's recent reports on faculty salaries and fringe benefits, particularly with respect to the computations for fringe benefits, and

WHEREAS, Commission staff convened a technical advisory committee consisting of representatives of the segments, the Department of Finance, and the Office of the Legislative Analyst to advise on possible revisions of the existing methodology, and

WHEREAS, The committee met on five occasions to thoroughly review and discuss the methodology for the reports on faculty salaries and fringe benefits, not only with respect to the computations for fringe benefits, but also regarding all other aspects of the methodology, and

WHEREAS, Based on the advice of the committee, a revised methodology has been developed by Commission staff; now therefore, be it

RESOLVED, That the California Postsecondary Education Commission adopt the attached document entitled, Revised Methodology for the Preparation of the Annual Report on University of California and California State University and Colleges Faculty Salaries and Fringe Benefits, 1978-79, which by reference becomes a part of this resolution, and be it further

RESOLVED, That copies of this resolution be transmitted to the Governor, the Legislature, the Department of Finance, the Office of the Legislative Analyst, the Regents of the University of California and the Trustees of the California State University and Colleges.

California Postsecondary
Education Commission

June 13, 1977

REVISED METHODOLOGY FOR THE PREPARATION OF THE ANNUAL REPORT ON UNIVERSITY OF CALIFORNIA AND CALIFORNIA STATE UNIVERSITY AND COLLEGES FACULTY SALARIES AND FRINGE BENEFITS, 1978-79

INTRODUCTION

The methodology to be employed for the 1978-79 report contains a number of substantive modifications from that adopted by the Commission in September, 1974 and used for the annual reports for 1975-76, 1976-77, and 1977-78.

In developing this new methodology, both the University of California and the California State University and Colleges conferred with a number of groups and individuals, including representatives of faculty organizations. Subsequently, each segment submitted proposals for changes in the existing methodology. These proposals were then considered by a technical advisory committee established by the Commission consisting not only of Commission staff and segmental representatives, but also of representatives of the Department of Finance and the Office of the Legislative Analyst.

In the past year, one aspect of the annual report on faculty salaries and fringe benefits was heavily criticized; namely, the treatment of the comparison of fringe benefits. This criticism centered on two major points. The first related to the recent practice of treating the cost of fringe benefits and the salary adjustments required to achieve parity as additive to produce a figure for "Total Equivalent Compensation" (TEC). This practice will be discontinued in subsequent years. The second criticism stemmed from the fact that the comparison method was limited to the employer cost of benefits (expressed as a percentage of payroll). Since there is, at best, only an indirect relationship between the value of fringe benefits to the employee and the cost of those benefits to the employer, the use of fringe benefit comparisons with other institutions can often be seriously misleading.

Although the basic difficulties with fringe benefit comparisons were noted in the report for the 1977-78 fiscal year, it is proposed that a much more definitive disclaimer be included in the text for the 1978-79 report. Clearly, a benefit package of given cost may be very different from another benefit package of the same cost when the two are defined and administered differently. By way of illustration, if the employer adds to a pension fund to improve its actuarial integrity, it increases the cost of the benefit package but does not result in any new or additional benefits.

The Commission will continue to show the results of the comparison survey regarding the cost of fringe benefits but will display it separately from the salary data and will include a sufficiently detailed explanation of the issues so as to avoid misunderstanding or inappropriate use of the figures.

The second major change is the elimination of the "Cost of Living Adjustment for Salaries." For the past three years, an adjustment has been made in the projected salaries of the comparison institutions to account for changes in the rate of inflation. This adjustment has been widely misunderstood. It is not an escalator clause of the kind frequently found in collective bargaining agreements; it is an index only of changes in the rate of inflation and not a measure of inflation itself.

The other changes are essentially technical in nature. To date, all ranks average salary and fringe benefit projections have been made on the basis of prior year (for the preliminary report) and current year (for the final report) segmental staffing patterns. Since these elements of compensation are implemented in the budget year, it is desirable to establish a staffing pattern for that year. This will be done by the University of California for the 1978-79 report and by the California State University and Colleges beginning in 1979-80.

The final change will affect only the computation of fringe benefits for the California State University and Colleges. That system previously based its fringe benefit projections on the assumption that no salary increase would be granted. Because an increase in salary automatically increases applicable fringe benefits, a degree of distortion occurs. The University of California uses a system whereby a salary increase is computed first, the automatic increases in fringe benefits resulting from that increase accounted for, and the fringe benefits calculated after this accounting. The Commission believes the latter approach to be more reasonable and has therefore adopted it for both segments.

METHODOLOGY

The procedures to be employed for the 1978-79 budget year and in subsequent years are as follows:

A. NUMBER AND TIMING OF REPORTS

Two reports will be prepared each year. The first report, based on preliminary data, will be submitted to the Department of Finance in November. The final report, based on the most current data, will be submitted to the Legislative Budget Committee in April. In order to meet these submission dates, the University of California and the California State University and Colleges will forward data on comparison institutions and segmental faculty salaries to Commission staff by mid-October for the preliminary report and by late February for the final report.

B. PRINCIPLE OF PARITY

The report will indicate what adjustments would be needed for the forthcoming year for salaries and costs of fringe benefits for University of California and California State University and Colleges' faculty to achieve and maintain rank-by-rank parity with such salaries and costs of fringe benefits provided faculty in appropriate comparison institutions. A separate list of comparison institutions will be used by each of the California segments of higher education. The report will separate calculations and displays of data related to percentage increases required for parity in salaries from those related to fringe benefit costs.

C. COMPARISON INSTITUTIONS[1]

Comparison institutions for the University of California will be:

Cornell University
Harvard University
Stanford University
State University of New York at Buffalo
University of Illinois
University of Michigan at Ann Arbor
University of Wisconsin at Madison
Yale University

Comparison institutions for the California State University and Colleges will be:

East

State University of New York at Albany
State University of New York College at Buffalo
Syracuse University
Virginia Polytechnic Institute and State University

West

University of Southern California
University of Hawaii
University of Nevada
University of Oregon
Portland State University

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1. If any institution is omitted for any reason, a replacement will be selected based upon the established criteria by Commission staff in mutual consultation with the segments, the Department of Finance, and the Legislative Analyst. The Attachment indicates the criteria for selection of the comparison institutions.

Other

University of Colorado
Illinois State University
Northern Illinois University
Southern Illinois University
Indiana State University
Iowa State University
Wayne State University
Western Michigan University
Bowling Green State University
Miami University (Ohio)
University of Wisconsin at Milwaukee

D. FACULTY TO BE INCLUDED AND EXCLUDED

The faculties to be included in the comparisons are those with full-time appointments at the ranks of professor, associate professor, assistant professor, and instructor, employed on nine and eleven month (prorated) appointments, (both regular and irregular ranks as appropriate), with the exception of faculties in the health sciences, summer sessions, extension programs and laboratory schools, provided that these faculties are covered by salary scales or schedules other than that of the regular faculty. At the rank of instructor, full-time equivalent faculty are used because of the preponderance of part-time appointments at this rank.

The faculty members to be included are those assigned to instruction (regardless of the assignments for research or other university purposes), department chairmen (if not on an administrative salary schedule), and faculty on salaried sabbatical leave.

E. COMPUTATION OF AVERAGE SALARIES AND COST OF FRINGE BENEFITS

For each academic rank within the California State University and Colleges' comparison groups, the total actual salary dollars for the combined group is divided by the number of faculty within the rank to derive average salaries by rank for their comparison institutions as a whole. Average costs of fringe benefits will be computed in a similar manner.

For the University of California's comparison groups, the average salary by rank is obtained for each comparison institution. The single average salary (for each rank) for the comparison group is then calculated by adding the average salaries at the eight comparison institutions and dividing by eight, thereby giving equal weight to each institution regardless of the number of faculty. The same procedure should be used to compute the cost of fringe benefits.

F. FIVE-YEAR COMPOUND RATE OF SALARY AND FRINGE BENEFIT GROWTH

For the preliminary report, a five-year compound rate of change in salaries and fringe benefits at each rank at the comparison institutions will be computed on the basis of actual salary and fringe benefit data of the preceding year and of the prior five years.

In obtaining compound rates of change at the comparison institutions, each segment will compute the average salary and fringe benefit costs by rank for their respective comparison institution groups as specified in Section E above. Each will then calculate the annual compound growth rate changes in average salaries and fringe benefit costs for each rank (over the five-year period) at their respective comparision institutions. These rates of change will then be used to project average salaries and costs of fringe benefits for that rank forward for two years to the budget year.

The same procedure will be used in producing the final report, except that the base year for the comparison institutions will be moved forward one year, permitting the use of a one-year projection rather than the two-year projection necessary in the preliminary report. The California segments will use actual current salary and fringe benefit data as reported by the comparison institutions rather than budgeted figures.

G. ALL-RANKS AVERAGE SALARY AND FRINGE BENEFIT COSTS

Average all-ranks average salaries and fringe benefit costs projected for the budget year will be calculated for each segment, using the average salaries and fringe benefits by rank projected for the budget year for the comparison groups and the staffing pattern in the appropriate California segment. The California State University and Colleges will use the current year staffing pattern while the University of California will use a staffing pattern projected for the budget year. These all-ranks average salary and fringe benefit amounts for the budget year constitute the salaries and fringe benefits to be provided to the corresponding California segment for that segment to achieve parity, rank-by-rank, with its comparison group. The average all-ranks salaries and fringe benefits thus projected to the budget year for each California segment will then be compared with the current all-ranks average salaries and fringe benefits for that segment to determine the percentage increase required by the segment to achieve parity. For the 1978-79 report, the California State University and Colleges will modify the percentage difference (to 1/10th of a percentage point) to account for merit increases, promotions, and faculty turnover. This adjustment will not be necessary for the University of California since the projection of the staffing pattern into the budget year will account for these adjustments automatically. In subsequent years, the California State University and Colleges will use the same procedure as the University of California.

H. SUPPLEMENTARY INFORMATION

The Commission will prepare supplementary tables containing five years of trend data, with the data for the most recent year supplied by the segments.

1. Number of full-time faculty by rank;
2. Number and percent of new and continuing full-time faculty with the doctorate by rank;
3. Number and percent of full-time faculty with tenure or security of appointment by rank;
4. Separations of full-time faculty with tenure or security of appointment by rank;
5. Destination of faculty who resign, by rank (indicating the name of the institution for those faculty remaining in higher education);
6. Sources of recruitment by rank;
7. Faculty promotional patterns.

ATTACHMENT

CRITERIA FOR SELECTION OF COMPARISON INSTITUTIONS

The following criteria will be used to select comparison institutions for the University of California:

1. Each institution should be an eminent major university offering a broad spectrum of undergraduate, graduate (Masters and Ph.D.), and professional instruction, and with a faculty responsible for research as well as teaching.

2. Each institution should be one with which the University is in significant and continuing competition in the recruitment and retention of faculty.

3. Each institution should be one from which it is possible to collect salary data on a timely, voluntary and regular basis. (Not all institutions are willing to provide their salary data, especially in the detail required for comparison purposes.)

4. The comparison group should be composed of both public and private institutions.

In selecting these institutions, stability over time in the comparison institutions group is important to enable the development of faculty salary market perspective, time serious analysis, and the contacts necessary for gathering required data.

The following criteria will be used for selection of comparison institutions for the California State University and Colleges. The institutions selected according to these criteria are those which have approximately the same functions with regard to undergraduate and graduate instruction, and with which the Califionia State University and Colleges compete for faculty.

1. General Comparability of Institutions

   The expectations of faculty at the comparison institutions should be relatively similar to those prevailing at the California State University and Colleges. Consequently, the comparison institutions should be large institutions that offer both undergraduate and graduate instruction. Excluded from consideration under this criterion were:

   a. Institutions with less than 300 faculty members;

b. The 20 institutions that awarded the greatest number of doctoral degrees during the ten-year period, 1959-60 through 1968-69. (These 20 institutions awarded nearly half of all doctoral degrees awarded in the U.S. during this period);

c. Community Colleges and colleges without graduate programs;

d. Institutions staffed with religious faculty.

2. Comparability of States' Ability to Support Higher Education

The basis of financial support available to the comparison institutions should be relatively similar to that of California. Excluded from consideration were:

a. Institutions in states where the per capita income in 1970 was more than ten percent below the U.S. average. (California's per capita income was approximately 14 percent above the U.S. average.) The criterion was applied to both public and private institutions;

b. Institutions in New York City and Washington, D.C., because of the high cost of living and the much higher than average incomes in these cities.

3. Competition for Faculty

Institutions on the comparison list preferably should be institutions from which California State University and Colleges' faculty are recruited or vice versa.

4. Similarity of Functions

The comparison group should include institutions that are among the largest institutions with graduate programs but which do not grant, or grant very few, doctoral degrees.[1] (Nine CSUC campuses are among the 20 largest such institutions in the country.)

5. Fringe Benefits

The comparison institutions should provide fringe benefits, including a retirement program, that vests in the faculty member within five years. This criterion was applied by generally excluding from consideration institutions with nonvesting retirement programs.

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[1] Category IIA in the AAUP report.

6. University of California Comparison Institutions

The comparison group of institutions developed for the California State University and Colleges should not include institutions used by the University of California in determining its faculty compensation.

7. Acceptance as Comparison Institution

The comparison institutions preferably should be institutions that have been accepted previously for the purpose of comparing faculty salaries in the California State University and Colleges.

8. Senior or Tenured Faculty

The comparison group of institutions should have a faculty mix ratio in their upper two ranks that is similar to the ratio of faculty in the upper two ranks of the California State University and Colleges.

APPENDIX D

University of California and California State University and Colleges Comparison Institutions

1966-67 - 1979-80

UNIVERSITY OF CALIFORNIA AND CALIFORNIA STATE UNIVERSITY AND COLLEGES COMPARISON INSTITUTIONS, 1966-67 - 1979-80

1966-67

University of California:

- Columbia University
- Harvard University
- Princeton University
- University of Michigan
- Yale University

California State Colleges:

- Bowling Green State University
- Brooklyn College
- Carleton College
- Colorado State University
- Occidental College
- Pomona College
- Purdue University
- Rutgers State University
- Southern Illinois University
- Wesleyan University

1967-68

University of California:

- Columbia University
- Cornell University
- Harvard University
- Princeton University
- University of Illinois
- University of Michigan
- University of Wisconsin
- Yale University

California State Colleges:

- Bowling Green State University
- Brandeis University
- Brooklyn College
- Iowa State University
- Occidental College
- Pomona College
- Purdue University
- Rutgers State University
- Southern Illinois University
- University of Oregon

1968-69

University of California:

- Cornell University
- Harvard University
- Stanford University
- State University of New York (Buffalo)
- University of Illinois
- University of Michigan
- University of Wisconsin
- Yale University

California State Colleges:

- Bowling Green State University
- Brandeis University
- Brooklyn College
- Brown University
- Iowa State University
- Michigan State University
- Northwestern University
- Pennsylvania State University
- Purdue University
- Rutgers State University
- Southern Illinois University
- State University of New York (Albany)
- University of Colorado
- University of Kentucky
- University of Massachusetts (Amherst)
- University of Oregon
- Wayne State University
- University of Minnesota

1969-70

University of California:

(No Change)

California State Colleges:

(No Change)

1970-71

University of California:

- Brown University
- Columbia University
- Cornell University
- Harvard University
- Princeton University
- Michigan State University
- Northwestern University
- Ohio State University
- Purdue University
- University of Chicago
- University of Indiana
- University of Illinois
- University of Iowa
- University of Michigan
- University of Minnesota
- University of Pennsylvania
- University of Wisconsin
- Yale University
- Stanford University

California State Colleges:

The Major Public University in Each State (50 Institutions)

- University of Alabama
- University of Alaska
- University of Arizona
- University of Arkansas
- University of California
- University of Colorado
- University of Connecticut
- University of Delaware
- University of Florida
- University of Georgia
- University of Hawaii
- University of Idaho
- University of Illinois
- Indiana University
- University of Iowa
- University of Kansas
- University of Kentucky
- Louisiana State University
- University of Maine
- University of Maryland
- University of Massachusetts
- University of Michigan

University of Minnesota
University of Mississippi
University of Missouri
University of Montana
University of Nebraska
University of Nevada
University of New Hampshire
University of New Mexico
Rutgers State University (New Jersey)
State University of New York (Buffalo)
University of North Carolina
University of North Dakota
Ohio State University
University of Oklahoma
University of Oregon
Pennsylvania State University
University of Rhode Island
University of South Carolina
University of South Dakota
University of Tennessee
University of Texas
University of Utah
University of Vermont
University of Virginia
University of Washington
West Virginia University
University of Wisconsin
University of Wyoming

Other Public Institutions Which Meet the Definition of a University (20 Institutions)

Auburn University
Arizona State University
Colorado State University
Florida State University
Purdue University
Iowa State University
Kansas State University
Michigan State University
Wayne State University
Mississippi State University
New Mexico State University
North Dakota State University
University of Cincinnati
Oklahoma State University
Oregon State University
Texas A & M University
Texas Technological College
University of Houston
Utah State University
Washington State University

Private Institutions Which Meet the Definition of a University (32 Institutions)

Stanford University
University of Southern California
Yale University
George Washington University
Illinois Institute of Technology
Northwestern University
University of Chicago
Tulane University
Johns Hopkins University
Boston University
Brandeis University
Clark University
Harvard University
Massachusetts Institute of Technology
Tufts University
Washington University (St. Louis)
Princeton University
Columbia University
Columbia Teachers College
Cornell University
New York University
Syracuse University
University of Rochester
Duke University
Case Western Reserve
Lehigh University
Temple University
University of Pennsylvania
University of Pittsburgh
Brown University
Vanderbilt University
Rice University

1971-72

University of California:

(No Change)

California State University and Colleges:

(No Change)

1972-73

University of California:

(Same List as Used in 1968-69)

California State University and Colleges:

(No Change)

1973-74

University of California:

(No Change)

California State University and Colleges:

Bowling Green State University
Illinois State University
Indiana State University
Iowa State University
Miami University (Ohio)
Northern Illinois University
Portland State University
Southern Illinois University
State University of New York (Albany)
State University of New York (Buffalo College of Arts and Sciences)
Syracuse University
University of Colorado
University of Hawaii
University of Nevada
University of Oregon
University of Southern California
University of Wisconsin (Milwaukee)
Virginia Polytechnic Institute and State University
Wayne State University
Western Michigan University

1974-75

University of California:

(No Change)

California State University and Colleges:

(No Change)

1975-76

University of California:

(No Change)

California State University and Colleges:

(No Change)

1976-77

University of California:

(No Change)

California State University and Colleges:

(No Change)

1977-78

University of California:

(No Change)

California State University and Colleges:

(No Change)

1978-79

University of California:

(No Change)

California State University and Colleges:

(No Change)

1979-80

University of California:

(No Change)

California State University and Colleges:

(No Change)

APPENDIX E

University of California Salaries and Cost of Fringe Benefits

1979-80

TABLE 1

UNIVERSITY OF CALIFORNIA

Projected 1979-80 Salaries for Comparison Group Based Upon Compound Rate of Increase in Average Salaries (Equal Weight to Each Comparison Institution)

Academic Rank	Comparison Group Average Salaries		Compound Rate of Increase	Comparison Group Projected Salaries
	1973-74	1978-79		1979-80
(1)	(2)	(3)	(4)	(5)
Professor	$24,482	$32,383	5.75%	$34,246
Associate Professor	17,004	21,943	5.23	23,091
Assistant Professor	13,481	17,447	5.29	18,371

TABLE 2

UNIVERSITY OF CALIFORNIA

Percentage Increase in UC 1978-79 All Ranks Average Salary Required to Equal the Comparison Group Projections for 1979-80, Based on Five-Year Compound Rate of Increase in Comparison Group Salaries (Equal Weight to Each Comparison Institution)

Academic Rank	UC Average Salaries 1978-79	Comparison Group Projected Salaries 1979-80	Percentage Increase Required in UC 1978-79 Salaries
(1)	(2)	(3)	(4)
Professor	$30,065	$34,245	13.91%
Associate Professor	20,620	23,091	11.98
Assistant Professor	17,150	18,370	7.12
All Ranks Average	$25,337[1]	$28,538[1]	12.64%

---

[1] Based on projected UC 1979-80 staffing including estimated separations and new appointments but excluding the effects of projected merit increases and promotions: Professor, 2,706.91; Associate Professor, 1,086.55; Assistant Professor, 937.34. Total staff: 4,730.80.

TABLE 3

UNIVERSITY OF CALIFORNIA

Projected 1979-80 Cost of Fringe Benefits for Comparison Group
Based Upon Compound Rate of Increase in Average Fringe Benefit Costs
(Equal Weight to Each Comparison Institution)

Academic Rank	Comparison Group Average Cost of Fringe Benefits		Compound Rate of Increase	Comparison Group Projecte Cost of Fringe Benefits
	1973-74	1978-79		1979-80
(1)	(2)	(3)	(4)	(5)
Professor	$4,254	$6,094	7.45%	$6,548
Associate Professor	2,891	4,109	7.28	4,408
Assistant Professor	2,346	3,383	7.59	3,640

TABLE 4

UNIVERSITY OF CALIFORNIA

Percentage Change in UC 1978-79 All Ranks Average Cost of Fringe Benefits Required to Equal the Comparison Group Projections for 1979-80, Based Upon Compound Rate of Increase in Average Fringe Benefit Costs (Equal Weight to Each Comparison Institution)

Academic Rank	UC Average Cost of Fringe Benefits[1] 1978-79	Comparison Group Average Cost of Fringe Benefit Projections 1979-80	Percentage Change Required in UC 1978-79 Average Cost of Fringe Benefits
(1)	(2)	(3)	(4)
Professor	$6,929	$6,548	- 5.50%
Associate Professor	4,969	4,408	-11.28
Assistant Professor	4,250	3,640	-14.35
All Ranks Average	$5,948[2]	$5,481[2]	- 7.86%
Less Adjustment for the Effect of a 12.64% Range Adjustment		- 664	-11.16
Adjusted Parity Requirement		$4,817	-19.02%

1. Based on $692.60 plus 20.74% of average salary.

2. Based on projected UC 1979-80 staffing including estimated separations and new appointments but excluding the effects of projected merit increases and promotions: Professor, 2,706.91; Associate Professor, 1,086.55; Assistant Professor, 937.34. Total staff: 4,730.80.

APPENDIX F

California State University and Colleges Salaries and Cost of Fringe Benefits, 1979-80

TABLE 1

CALIFORNIA STATE UNIVERSITY AND COLLEGES

Projected 1979-80 Salaries for Comparison Group Based Upon Compound Rate of Increase in Average Salaries (Weighted by Total Faculty by Rank in all Comparison Institutions)

Academic Rank	Comparison Group Average of Average Salaries		Compound Rate of Increase	Comparison Group Projected Salaries
	1973-74	1978-79		1979-80
(1)	(2)	(3)	(4)	(5)
Professor	$20,978	$27,813	5.80%	$29,427
Associate Professor	16,115	21,227	5.67	22,430
Assistant Professor	13,224	17,058	5.22	17,949
Instructor	10,223	13,403	5.57	14,149

TABLE 2

CALIFORNIA STATE UNIVERSITY AND COLLEGES

Percentage Increase in CSUC 1978-79 All Ranks Average Salary Required to Equal the Comparison Group Projections for 1978-79, Based on Five-Year Compound Rate of Increase in Comparison Group Salaries (Weighted by Total Faculty by Rank in all Comparison Institutions)

Academic Rank	CSUC Average Salaries 1978-79	Comparison Group Projected Salaries 1979-80	Percentage Increase Required in CSUC 1978-79 Salaries
(1)	(2)	(3)	(4)
Professor	$26,319	$29,427	11.81%
Associate Professor	20,361	22,430	10.16
Assistant Professor	16,648	17,949	7.81
Instructor	14,533	14,149	- 2.64
All Rank Average	$22,401[1]	$24,775[1]	10.60%
Less Turnover and Promotions		- 112	- 0.50
Adjusted Total		$24,663	10.10%

---

[1] Based on CSUC 1978-79 staffing: Professor, 5,489; Associate Professor, 3,438; Assistant Professor, 2,221; Instructor, 218. Staff Total: 11,366.

TABLE 3

CALIFORNIA STATE UNIVERSITY AND COLLEGES

Projected 1979-80 Cost of Fringe Benefits for Comparison Group Based Upon Compound Rate of Increase in Average Fringe Benefit Costs (Weighted by Total Faculty by Rank in all Comparison Institutions)

F-3

Academic Rank	Comparison Group Average Cost of Fringe Benefits		Compound Rate of Increase	Comparison Group Projected Cost of Fringe Benefits
	1973-74	1978-79		1979-80
(1)	(2)	(3)	(4)	(5)
Professor	$2,998	$4,709	9.45%	$5,154
Associate Professor	2,411	3,807	9.57	4,171
Assistant Professor	2,012	3,094	8.99	3,372
Instructor	1,555	2,393	9.00	2,609

TABLE 4

CALIFORNIA STATE UNIVERSITY AND COLLEGES

Percentage Change in CSUC 1978-79 All Ranks Average Cost of Fringe Benefits Required to Equal the Comparison Group Projections for 1979-80 Based Upon Compound Rate of Increase in Average Fringe Benefit Costs (Weighted by Total Faculty by Rank in all Comparison Institutions)

Academic Rank	CSUC Average Cost of Fringe Benefits[1] 1978-79	Comparison Group Average Cost of Fringe Benefit Projections 1979-80	Percentage Change Required in CSUC 1978-79 Average Cost of Fringe Benefits
(1)	(2)	(3)	(4)
Professor	$6,157	$5,154	-16.29%
Associate Professor	5,304	4,171	-21.36
Assistant Professor	4,560	3,372	-26.05
Instructor	3,890	2,609	-32.93
All Ranks Average	$5,543[2]	$4,460[2]	-19.54%
Less 0.5% Turnover & Promotions, Automatic Salary/Benefit Adjustment, and an Adjustment for the Effect of an 10.10% Range Increase		- 395	- 7.13
Adjusted Parity Requirements		$4,065	-26.67%

---

1. Based on $1,740 plus 16.98 percent of average salary at each rank.

2. Based on CSUC 1978-79 staffing: Professor, 5,489; Associate Professor, 3,438; Assistant Professor, 2,221; Instructor, 218. Total Faculty: 11,366.

APPENDIX G

Report on Medical School Clinical Compensation Plans and Clinical Faculty Salaries

University of California and Comparison Institutions

UNIVERSITY OF CALIFORNIA SYSTEMWIDE ADMINISTRATION

BERKELEY · DAVIS · IRVINE · LOS ANGELES · RIVERSIDE · SAN DIEGO · SAN FRANCISCO   SANTA BARBARA · SANTA CRUZ

Office of the President

BERKELEY, CALIFORNIA 94720

March 23, 1979

Mr. Patrick M. Callan, Director
California Postsecondary Education Commission
1020 - 12th Street
Sacramento, California 95814

Dear Pat:

Pursuant to the Budget Conference Committee's Supplemental Report to the 1978-79 Budget Act, I am pleased to transmit the attached report titled "University of California Medical School Clinical Compensation Plans and Clinical Faculty Salaries."

Please let me know if you have any questions concerning this report or if you require additional information.

Sincerely,

D. S. SAXON

David S. Saxon
President

Enclosures (5)

cc: The Honorable Albert S. Rodda
  Chairman, Senate Finance Committee (2 copies)
The Honorable Daniel E. Boatwright
  Chairman, Assembly Ways & Means Committee (2 copies)
Director of Finance Richard T. Silberman
Legislative Analyst William R. Hamm
Associate Vice President Thomas E. Jenkins
Special Assistant Lowell J. Paige

Office of the President
March, 1979

UNIVERSITY OF CALIFORNIA

REPORT ON MEDICAL SCHOOL CLINICAL COMPENSATION PLANS AND CLINICAL FACULTY SALARIES

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UNIVERSITY OF CALIFORNIA

Report on Medical School Clinical Compensation Plans and Clinical Faculty Salaries

This report responds to Item 322 of the 1978 Conference Committee's Supplemental Report on the Budget Bill which recommends that:

> UC shall report to CPEC annually on (1) its full-time clinical faculty salaries and those of its comparison institutions (including a description of the type of compensation plans utilized by each UC school and each comparison institution) and (2) the number of compensation plan exceptions in effect at each UC school.

This report discusses the issues in the above supplemental language by providing:

1. a description of the type of compensation plans utilized by each UC school and each comparison institution (Section I);
2. a discussion of the University's full-time clinical faculty salaries and those of its comparison institutions (Section II); and
3. a report on compensation plan exceptions (Section III).

I. Clinical Compensation Plans

General

Clinical compensation plans are compensation arrangements created by medical schools to provide competitive income for physicians and other faculty with direct patient-care responsibility as well as to further the academic goals of the medical schools. As stated by the Association of American Medical Colleges (AAMC) in their December, 1977 report on An In-Depth Study of Seven Medical Practice Plans,

> "The most commonly stated plan objective is the attraction and retention of quality faculty through the provision of acceptable compensation levels not achievable through other salary sources. An additional objec-

> tive quite prevalent among the . . . plans is the use of plan revenue to help achieve departmental and schoolwide program enrichment with stable, flexible funds."

The AAMC reviewed the medical practice plans of the 112 M.D. degree-granting fully acredited medical schools in the U.S. and concluded that the plans could be characterized by the degree of central control exercised over the details of the plans' operations, along a "centralized/decentralized" axis. A summary of the three basic types of clinical compensation plans was developed by the AAMC as follows:

> Type A - a highly centralized compensation approach, characterized by two basic and interrelated features. First, all patient-care fees are collected and deposited to central accounts, usually with few references to the origin of the bill beyond the requirements of accurate bookkeeping and physician liability and accountability for services rendered. Second, physicians are placed on either individually set or departmentally fixed incomes based on a predetermined compensation schedule which recognizes such features as academic rank, previous or current clinical services, and additional merit or service features.
>
> Type B - an intermediate arrangement in which some common policy framework exists for patient-care fee collection and disbursement. In this approach a general policy is set for all medical school faculty with patient-care responsibilities, requiring that they follow specified billing and collection procedures through a central office or departmental offices. Compensation is determined by a formula which recognizes the productivity of patient-care activities as well as academic factors such as rank and scholarship. Such compensation arrangements usually set broad ranges for total compensation, recognizing the aforementioned features, with set maxima either by department, school, or specialty.

Type C - the least disciplined arrangement, which allows wide variation by individual department or among specialties as to how patient-care fees are collected and subsequently distributed. The most extreme example permits the faculty member to bill and retain virtually all of the billable practice income with some requirement to reimburse the institution for overhead cost (office space, hospital fees, etc.).

Table 2 (p. 11), provides a further description of this medical practice plan typology, indicating by directional arrows the kind of movement that typically occurs in the organization of a practice plan--from no plan to decentralized, to intermediate, and to centralized.

University of California Uniform Medical School Clinical Compensation Plan

The University of California uniform Medical School Clinical Compensation Plan, approved by The Regents in November, 1977 for implementation in 1978 falls within the Type B category. It provides a uniform framework for patient-care billing and sets uniform compensation maxima based on academic rank and step. The Plan provides sufficient flexibility so that specific parameters for the various medical specialties or disciplines within the same department may be established as long as the maximum compensation arrangements established by the Plan are not exceeded.

The key features of this Plan are:

1. The eleven-month regular faculty salary scale approved by The Regents for each faculty rank forms the base salary for all medical school ladder rank faculty. There is no differential in the base salary between medical school faculty and general campus faculty.
2. Arrangements for compensation in addition to the base salary are limited to three types.
    a. Negotiated Income - This is an amount of additional compensation

determined by a department or school that a clinician can earn via contribution of income from patient-care (and certain other specified income sources) to a group or pooled income system. There is an absolute ceiling on this amount, as discussed below.

b. Income Limitation Arrangements - These are arrangements whereby the faculty member may retain, subject to assessments, income directly from patient-care activities. Assessments are progressive and reach a nearly confiscatory level at approximately three times the faculty member's base salary.

c. Combination Plans - These are arrangements whereby faculty members share a predetermined portion of a pooled amount and are allowed to retain individual earnings beyond that amount up to a maximum ceiling.

3. Membership in this Plan is mandatory for all clinical faculty with patient-care responsibility who hold an appointment at 50% or more time, and all income from professional services performed by these faculty is subject to the terms of the Plan.

4. Accounting standards and monitoring practices are specified in the guidelines for implementation of this Plan. Along with the Plan and guidelines, accounting procedures have been developed which are consistent with the Plan objectives.

Comparison Data Survey

One of the principal features of the uniform Medical School Clinical Compensation Plan is a provision for periodic review of the established compensation maxima. In Section IV (Compensation), which sets forth the formulae for deriving maximum compensation, provision IV.B.6 states:

> Compensation levels and assessment rates will be reviewed periodically by the Vice President--Academic and Staff Personnel Relations in light of comparison data from University of California Medical Schools as

well as from other comparison institutions. On the basis of the Vice President's report, the President, after consultation with the Academic Senate, may recommend adjustments in the compensation levels in this Plan to The Regents.

A set of comparison institutions was selected and a statistical method adopted that would yield the requisite data to satisfy this provision of the Medical School Clinical Compensation Plan as well as the requirement for an annual report to the California Postsecondary Education Commission.

Selection of Comparison Institutions

Eight institutions that represent comparable programs were selected from public and private sectors. Five of the institutions are public in character and three are private. The institutions selected represent a diverse spectrum and sufficient variation of settings and practice plan arrangements to provide valid comparisons. Appendix B (see pp. 19-20) provides a brief description of the various compensation plans used by the comparison institutions.

Comparison Institutions

Name	Public or Private	Compensation Plan
*Stanford	Private	yes
State Univ. of New York-Upstate Medical School	Public	yes
Univ. of Chicago	Private	yes
*Univ. of Illinois	Public	no
*Univ. of Michigan	Public	yes
Univ. of Texas, Houston	Public	yes
*Univ. of Wisconsin	Public	yes
*Yale University	Private	yes

The comparison institutions included five that are also in the general campus survey (noted by asterisks). In addition, the University of Texas, Houston, and the State University of New York-Upstate Medical School were selected because they are part of larger multicampus systems with more than one medical school.

II. Compensation Survey

A. Data Collection

Compensation plan information was obtained from the eight comparison medical schools by means of a questionnaire (see Appendix A, pp. 16-18). The questionnaire was followed by phone calls, and a special meeting which took place during the October, 1978 meeting of the AAMC in New Orleans. At that special meeting of the comparison schools, there was an extended discussion of the practical aspects of medical salary and practice plan management, and arrangements were made to meet and/or consult each year and to regularly exchange data. Further, Mr. William L. Storey, Higher Education specialist with the California Postsecondary Education Commission, was consulted about this comparison study, and has agreed to meet to discuss in detail the methodology and conclusions.

B. Selection of Departments and Disciplines

Comparison of medical schools' salaries raises problems which do not occur in comparing salaries of general campuses. On general university campuses, overall salary averages for a given professorial rank are a good reflection of what the individual faculty member is actually paid at that rank. In medical schools, however, there is great variation in individual salaries, and an overall salary average for a given medical school is statistically unreliable. For that reason, it was not possible to use overall salary averages from the comparison medical schools in this study. Statistics from the annual AAMC report of clinical salaries were similarly of little utility since they tend to aggregate salaries from a variety of clinicians, both full and part-time, without sufficient disaggregation in the sample to make the data useful for this survey. The method that was devised to avoid the above problems was to select a stratified sample of three clinical specialties which are commonly found in schools of medicine and which typically represent a range of compensation within medical schools. The three clinical specialties selected are (a) Pediatrics, typically at a lower level of compensation; (b) Medicine, typically at a mid-level compensation; and (c) Surgery, typically at a higher compensation. These three clinical specialties are taken as representative of the medical schools at large and are used as the base for developing the data for this study. The salary data received from the thirteen medical schools (five from UC and eight from comparison insitutions) are treated as follows: a single weighted-average compensation is constructed from the five UC medical school responses for each of the three specialties. That weighted average is displayed in a ranked table (ranked by professorial compensation) together with the responses from the eight comparison medical schools (see Tables 3, 4, and 5, pp. 12, 13, and 14).

C. The Method

For each of the specialties a simple average of the resulting table of nine weighted averages is then calculated, as well as the standard deviation, and entered at the bottom of each of Table 3, 4 and 5. The single average for the five medical schools is examined in each of the three ranked tables to determine where that average falls within the sample of nine weighted averages; i.e., whether or not that particular average deviates significantly from the general average. The tables reflect the following:

a. where the UC average falls within one standard deviation;

b. where the UC average is with respect to the average for the group as a whole; and

c. whether the UC average is within one standard deviation of the group average.

If the UC average is, in fact, within one standard deviation from the group average, then the UC average can be considered to be not statistically different from that of the group as a whole.

D. Results of the Clinical Salary Comparison and University of California Standing in Each Category

Tables 3, 4, and 5 (see pp. 12, 13, and 14) indicate that the University's average compensation is consistent with the overall average for each specialty, as displayed below:

AVERAGE FULL PROFESSOR COMPENSATION - ABSTRACTED FROM TABLES 3, 4, 5.

Medicine		Pediatrics		Surgery	
High	67,000	High	67,000	High	88,000
Average	60,440	UC	59,000	Average	79,440
UC	59,000	Average	57,560	UC	75,000
Low	54,000	Low	51,000	Low	67,000

From the table above, the following conclusions are drawn:

1. In Medicine (Table 3,p.12), average professorial compensation ranges from a high of $67,000 per year to a low of $54,000, with an average of $60,440. The UC average for Medicine is $59,000, slightly below the group average.

2. In Pediatrics (Table 4,p.13), average professorial compensation ranges

from a high of $67,000 per year to a low of $51,000, with an average of $57,560. The UC average for Pediatrics is $59,000, slightly (but not significantly) higher than the group average (within one standard deviation from the average).

3. In Surgery (Table 5, p. 15), average professorial compensation ranges from a high of $88,000 per year to a low of $67,000, with an average of $79,440. The UC average for Surgery is $75,000, somewhat (but not significantly) below the group average.

Within each of the three specialties, the spread of salaries is not great, supporting the assumption that the selected medical schools are comparable. In each of the tables for the three specialties, the University's average compensation is close to the overall average, as is displayed in the table above. For these reasons, the compensation being paid in University of California medical schools can be considered to be representative, competitive and appropriate. Therefore, there appears to be no need at this time to alter the current compensation formulas.

III. Exceptions to the Plan

Requests for exceptions, including individual exceptions, to the Medical School Clinical Compensation Plan may originate with the individual department, and, subject to approval by the Dean, are then forwarded to the campus Chancellor for the next approval step. The Chancellor then consults with the campus Academic Senate. If the Chancellor approves the exception, the request is recommended to the President for final approval. All approved exceptions to compensation limits must be reported to the Board of Regents.

As part of the implementation of the Plan it was agreed that certain limited existing arrangements would be permitted to continue. Other than these exceptions, no individual exceptions have been made. Irvine has been permitted to delay implementation of the Plan until January, 1980 in order to accommodate the campus conversion from a gross to a net clinical fee compensation plan.

TABLE 1

COMPARISON INSTITUTIONS - MEDICAL SCHOOLS

Stanford University

State University of New York -
Upstate Medical School

University of Chicago

University of Illinois

University of Michigan

University of Texas, Houston

University of Wisconsin

Yale University

TABLE 2

MEDICAL PRACTICE PLAN TYPOLOGY

PLAN FEATURES	TYPE A Centralized ←	TYPE B Intermediate ←	TYPE C Decentralized
Organization & Participation			
* Structure	A discretely recognized entity, either within or external to the medical school, having its own personnel, budget and procedural guidelines.	A common framework for clinical practice activity exists within which departmental or specialty groups function.	A variety of clinical practice arrangements for academic departments or medical specialties are permitted.
* Policy Determination	All practicing clinicians are included and directly and/or indirectly through their representatives meet with institutional officials to focus only on clinical practice - related issues.	Most clinical disciplines are participants in deliberations about clinical practice - related issues identified by institutional officials.	Executive faculty and the dean consult as necessary during the routine conduct of general meetings.
perations			
* Administration	A full-time manager supervises the day-to-day plan operation with responsibility for all administrative services supporting the practice of medicine.	A member of the dean's regular administrative staff is the locus for coordination of many plan support services.	Either the department head or his designate directs administrative support services.
* Fee Handling	All clinical practice related revenue flows through the Plan Office which renders bills, collects fees and disburses income.	Uniform procedures for billing, collection and disbursement of fees are implemented.	Options for billing, collection or disbursement of fees are available to academic departments or medical specialties.
Private Medical Schools	12	10	3
Public Medical Schools	31	16	5

The above table is taken from An In-Depth Study of Seven Medical Practice Plans--Association of American Medical Colleges, December, 1977, p. 14.

he arrows show the kind of movement that typically occurs in the organization of a practice plan, from no plan, to decentralized, to intermediate, and to centralized.

TABLE 3

AVERAGE SALARY (In 1000's of Dollars)

MEDICINE DEPARTMENT

Effective Date
Fall 1978

Date Report Prepared
December 3, 1978

INSTITUTION	PROFESSOR	ASSOCIATE PROF.	ASSISTANT PROF.
E	67	55	50
F	65	45	37
D	63	49	42
B	62	52	42
A	61	52	42
UC[1]	59	49	40
C	59	44	38
G	54	48	42
H	54	45	34
Average	60.44	48.78	40.78
Standard Deviation	4.38	3.73	4.47

---

1. Weighted average of data from UC Medical Schools (Davis, San Francisco, Los Angeles, Irvine, San Diego)

TABLE 4

AVERAGE SALARY (In 1000's of Dollars)

PEDIATRICS DEPARTMENT

Effective Date
Fall 1978

Date Report Prepared
December 3, 1978

INSTITUTION	PROFESSOR	ASSOCIATE PROF.	ASSISTANT PROF.
B	67	63	44
D	60	44	38
E	59	51	30
UC[1]	59	47	39
F	58	47	39
A	58	48	40
G	55	41	35
C	51	43	34
H	51	40	30
Average	57.56	47.11	36.56
Standard Deviation	4.90	6.92	4.69

---

1. Weighted average of data from UC Medical Schools (Davis, San Francisco, Los Angeles. Irvine, San Diego)

TABLE 5

AVERAGE SALARY (In 1000's of Dollars)

SURGERY DEPARTMENT

Effective Date
Fall 1978

Date Report Prepared
December 3, 1978

INSTITUTION	PROFESSOR	ASSOCIATE PROF.	ASSISTANT PROF.
A	88	75	59
E	87	73	62
C	87	69	52
B	84	65	58
D	78	55	56
G	76	61	54
UC[1]	75	57	48
F	73	59	46
H	67	52	46
Average	79.44	62.89	53.44
Standard Deviation	7.40	8.10	5.85

[1] Weighted average of data from UC Medical Schools (Davis, San Francisco, Los Angeles, Irvine, San Diego)

APPENDIX A

UNIVERSITY OF CALIFORNIA

Annual Medical School Faculty Salary Survey

Instructions

The form will be provided for three departments only, General Medicine, Pediatrics, and Surgery. Three categories of compensation are identified with definitions. These are:

1. Base or Guaranteed Component - the base salary derived from University of California salary scales for that rank and guaranteed by the University exclusive of fringe benefits;
2. University of California Uniform Medical School Clinical Compensation, or expected compensation, not including the base salary described in 1, above, which is received through or as a result of the operation of, and the individual faculty member's participation in, the University of California Uniform Medical School Clinical Compensation Plan, and
3. Grand Total Compensation - the sum of the monies associated with items 1 and 2 above, divided by the head count for that line of the questionnaire.

In each case, one calculates the average for each box in the questionnaire by totalling all the monies involved in that category and then by dividing by the head count for that line of the questionnaire. Reasonable estimates of the year's earnings should be reported or last year's actual earnings with any estimated increment. Please specify the method used in the "comments" section at the bottom of each questionnaire.

For the departments specified above, include only 12 month salaries for full-time paid faculty utilizing September 1 budget figures whenever possible. Include the full salary of faculty on sabbatical leave. Exclude those faculty at affiliated institutions, full salary for vacant positions, house staff and fellows in all ranks and part-time and volunteer faculty.

Attached is a list of the subspecialties to be included within three departments (General Medicine, Pediatrics and Surgery). If you have any questions, please phone R.D. Menherett at (415):642-1454.

SURGERY

GENERAL SURGERY
THORACIC
CARDIO-VASCULAR
E.N.T.
UROLOGY
NEUROSURGERY
ORTHOPEDICS
PLASTIC

MEDICINE

GENERAL
CARDIOLOGY
ENDOCRINOLOGY
GASTROENTEROLOGY
HEMATOLOGY
HEPATOLOGY
INFECTIOUS DISEASE
NEPHROLOGY
RHEUMATOLOGY
PULMONARY

PEDIATRICS

ALL, INCLUDING
PEDIATRIC
CARDIOLOGY

CAMPUS ______________

____
DATE THE REPORT WAS PREPARED

UNIVERSITY OF CALIFORNIA

MEDICAL SCHOOL FACULTY SALARY SURVEY

DEPARTMENT ______________________ EFFECTIVE DATE ______________

RANK		COMPENSATION		
Rank	Headcount	Base Salary or Guaranteed Component (Average)*	Uniform Compensation Plan Component (Average)*	Grand Total Compensation (Average)*
Professor				
Associate Professor				
Assistant Professor				
Instructor				

*Average salary for each of the three compensation columns should be computed by dividing the total dollars by the headcount for each rank.

Comments or qualifications: ______________________

APPENDIX B

Brief Descriptions of the Medical Compensation Plans at the Eight Comparison Medical Schools

1) Stanford University

Stanford has a new practice plan that is currently being written and is not yet available.

2) State University of New York - Upstate Medical School

Overall management of the practice plan is vested in a governing board consisting essentially of the President, the Dean of the Medical School and the medical school department chairmen. The departments have considerable autonomy, and keep the accounts and do the billing. The State is paid for overhead costs, and the Medical School levies a surcharge on gross practice plan income for its own use. (A Type "B" or Type "C" Plan)

3) University of Chicago

General guidelines are issued to the departments by the Dean's office. Within those guidelines, individual practice plans are negotiated on a departmental basis. The medical school is experimenting with a surcharge, and with various kinds of non-salary incentives. Currently, however, the individual departments have a good deal of autonomy. (A Type "C" Plan)

4. University of Illinois

No formal practice plan exists. The medical school provides centralized billing facilities. Beyond that, what happens is the result of individual negotiation between the individual faculty member, his department and the Dean's office.

5. University of Michigan

The plan is centralized, with a formal central business office run by a full-time Director who reports directly to the Dean of the Medical School. The central business office establishes policy, does billing and handles disbursements. The individual departments have comparatively little autonomy. The plan was phased in gradually over the five-year period from 1973 to 1978. (A Type "A" Plan)

6) University of Texas at Houston

The plan is controlled by a Board of Directors consisting of the President, V.P. for Business Affairs and the department chairmen. The plan provides for central billing and disbursement of funds; however, individual faculty salaries are set through individual negotiation between a faculty member and his department chairman. The departments have considerable autonomy. (A Type "B" or Type "C" Plan)

7) University of Wisconsin

Although a written plan exists, its net effect is to vest authority in the individual departments. Each department creates in effect its own individual practice plan and does pretty much as it pleases, subject to certain maximum salary constraints written into the central plan. (A Type "B" or Type "C" Plan)

8) Yale University

The practice plan consists of a series of brief salary guidelines published by the Dean which set up a framework for salary payment and establish the permissible salary ranges within which an individual faculty member may be paid. Each department develops its own practice plan, in negotiation with the Dean's office. Individual salaries are recommended by the department chairman and approved by the Dean. (A Type "C" Plan)

Appendix H

An Analysis of the Report by the Legislative Analyst

AN ANALYSIS OF THE REPORT BY THE LEGISLATIVE ANALYST

In his Analysis of the Budget Bill, 1979-80, the Legislative Analyst included a lengthy section on the subject of faculty salaries and commented extensively on the Commission's preliminary report on the same subject, published in December 1978. The Commission's report indicated that current faculty salaries at the University of California and the California State University and Colleges, when compared with salaries for their comparison institutions, would require increases of 12.15 percent and 8.82 percent, respectively, for 1979-80 in order to achieve parity. The Analyst's statements supported a contrary position and offered data to show that, in his view, salaries paid to faculty at the University of California and the California State University and Colleges were quite favorable to those paid to faculty in other states.

While no formal conclusions or recommendations were made, the Analyst's view was so markedly different from that offered by both of the four-year segments, and by the Commission in its preliminary report, that an analysis of the data presented by the Analyst appears to be in order.

On page 1393 of the Analysis, the comment is made that "the [Commission's] report compares California faculty salaries to those in a selected group of postsecondary education institutions. These institutions are selected on the basis of a functional classification system developed by the American Association of University Professors (AAUP)." Since this comment sets the stage for much of the subsequent discussion, and since it is in error, a clarification of how comparison institutions are actually selected is necessary.

The comparison institutions used by the Commission for the University and the State University are not currently selected on the basis of the AAUP categorizations, although there was a time (1970-71 through 1972-73) when those for the State University were. In the entire history of the comparison methodology, however, the AAUP categories have never been employed for the University of California.

Dating back to the origin of the Master Plan for Higher Education in California, 1960-1975, it has been consistent public policy that the University of California should be among the first rank of institutions nationally, a status that has been consistently maintained and justified over the years. It is clear that by its admission requirements, advanced degrees granted, faculty awards, curricular diversity, faculty qualifications, and national recognition, the University of California has earned its reputation as one of a select group of the most prestigious educational establishments in the nation and, indeed, the world. For this reason, it is difficult to compare the University with all of the colleges and universities which fall within the minimum standards necessary to qualify as one of the AAUP's Category I institutions. To illustrate, qualification for Category I is based solely on the fact that an institution has granted a minimum of fifteen earned doctorates per year for the most recent three years of the survey in at least three nonrelated fields. During the 1976-77 academic year, the University granted the following number of doctorates in the specified number of fields shown below:

Campus	Earned Doctorates Granted	Number of Disciplines
Berkeley	754	20
Davis	401	14
Irvine	154	12
Los Angeles	642	17
Riverside	88	9
San Diego	208	11
San Francisco	353	9
Santa Barbara	153	10
Santa Cruz	35	6
Total	2,788	26*
Average	309.8	12

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* Unduplicated total

It is appropriate that the University's comparison institutions be equally distinguished, a principle that has been maintained throughout the history of the salary reports, including the present one.

The list of comparison institutions currently in use for the California State University and Colleges also bears no necessary relationship to the AAUP categories. In the three years noted above (1970-71--1972-73), however, the AAUP's Category I list was employed as the comparison base.

In 1974 the Commission established a special committee of its members to consider the entire reporting procedure for determining faculty salary increases, including a consideration of whether comparison institutions should be used in any methodology. After deliberating for several months, the committee determined that the methodology then in use, a methodology utilizing comparison institutions, should be continued, with the list of comparison institutions for the University to remain unchanged.

Those for the State University were more difficult to select. In the strictest sense, there are no institutions in the United States that are directly comparable, since the State University is not allowed to offer the doctorate. As a result, the Commission committee formed an advisory group consisting of representatives from the four-year segments, the Department of Finance, the Legislative Analist's Office, and Commission staff. The committee was charged with establishing criteria for selecting comparison institutions for the State University and from these, a comparison group. Criteria were subsequently approved by the Commission, the major elements of which are shown below. (A complete list of the criteria are shown in Appendix C. The comparison institutions for the State University are shown in Appendix D.)

Criteria for Selecting Comparison Institutions

1. Comparison institutions should be large and offer both undergraduate and graduate instruction, excluding the following:

    a. Institutions with less than 300 faculty members;

    b. The top twenty doctorate degree granting institutions in the nation (these institutions awarded nearly half of all doctoral degrees awarded in the United States between 1959-60 and 1968-69);

    c. Community Colleges and colleges without graduate programs;

    d. Institutions staffed with religious faculty;

2. Comparison institutions should be in states which support their institutions at a level generally comparable to the support provided in California;

3. Comparison institutions should be among the largest institutions with graduate programs in the country (At the time the list was developed, the State University had nine of the top twenty such institutions.); and

4. Comparison institutions should not include any that are used for the University of California.

In support of his view that " . . . California faculty—particularly those in the University of California system—are receiving an extremely high level of support from the taxpayers of California that compares most favorably with faculty in other states," the Analyst offers a review of four indices:

1. The current year (1978-79) salary situation;
2. Actual 1977-78 salaries paid at comparable public institutions;
3. Actual 1977-78 salaries paid at the comparable eight institutions when ranked by campus with the University of California; and
4. The patterns of faculty transfer to other institutions.

In his comments, the Analyst advises the reader to bear in mind that the Commission projects salaries into the next budget year and that it "hides salary differences at individual ranks" by using an all-ranks average. He goes on to state that, "If we examine the estimated current year data (1978-79) by rank, we see that there is not a great disparity in the salaries paid, particularly at the lower associate and assistant professor levels." To support this statement, the Analyst presents the following Tables 5 and 6[1] which show that, in 1978-79, Professors at the University lag behind their comparison group by 7.6 percent, Associate Professors by 5.0 percent, and Assistant Professors by 1.2 percent. Comparable figures for the State University in Table 6 are 4.8 percent, 3.3 percent, and 1.6 percent, respectively. All data for both tables, except for the column labeled "Comparison Group Lag" are taken from the Commission's preliminary December report.

Table 5
UNIVERSITY OF CALIFORNIA
Percentage Increase in UC 1978-79 All Ranks Average Salary
Required to Equal the Comparison Group Projections for 1979-80,
Based on Five-Year Compound Rate of Increase in Comparison Group Salaries
(Equal Weight to Each Comparison Institution)

Academic Rank	*UC Average Salaries 1978-79*	*Comparison Group Lag 1978-79*	*Comparison Group Projected Salaries 1979-80*	*Percentage Increase Required in UC 1978-79 Salaries*
Professor	$29,630	$32,060 (7.6%)	$33,824	14.15%
Associate Professor	20,533	21,606 (5.0%)	22,616	10.14
Assistant Professor	16,964	17,163 (1.2%)	18,002	6.12
All Ranks Average	$24,673*		$27,670*	12.15

*Based on projected UC 1979-80 staffing including estimated separations and new appointments but excluding the effects or projected merit increases and promotions: Professor 2,557.66; Associate Professor 1,141.98; Assistant Professor 1,031.26. Total staff: 4,730.80.

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[1] Tables 5 and 6, Analysis of the Budget Bill, 1979-80, page 1396.

Table 6

CALIFORNIA STATE UNIVERSITY AND COLLEGES

Percentage Increase in CSUC 1978-79 All Ranks Average Salary Required to Equal the Comparison Group Projections for 1978-79, Based on Five-Year Compound Rate of Increase in Comparison Group Salaries (Weighted by Total Faculty by Rank in All Comparison Institutions)

Academic Rank	*CSUC Average Salaries 1978-79*	*Comparison Group Lag 1978-79*	*Comparison Group Projected Salaries 1979-80*	*Percentage Increase Required in CSUC 1978-79 Salaries*
Professor	$26,399	$27,718 (4.8%)	$29,220	10.69%
Associate Professor	20,324	21,021 (3.3%)	22,125	8.86
Assistant Professor	16,668	16,930 (1.6%)	17,772	7.30
Instructor	14,509		14,171	-2.33
All Rank Average	$22,165*		$24,232*	9.32%
Less Turnover and Promotions			-111	-0.50
Adjusted Total			24,121	8.82

* Based on CSUC 1977-78 staffing: Professor 3,101; Associate Professor 3,554; Assistant Professor 2,464; Instructor 203. Staff Total: 11,322.

First, with respect to projecting salaries into the next budget year, it should be remembered that the Analysis is directed to that budget year, which is the one now under consideration by the Legislature. Secondly, there should be no concern that the Commission is "hiding" figures by using an all-ranks average; individual rank-by-rank figures have been included as an appendix in every salary report the Commission has published.

A few words are also appropriate to explain exactly what an "all-ranks average" is and why it is employed. It is a weighted average used as a computational tool for determining the amount of money necessary to produce a specified percentage increase for all three professional ranks (four ranks if that of Instructor is included). In order for the Governor and the Legislature to appropriate funds for a specified percentage increase, it is necessary to compare a single figure with another single figure. That is the function of the all-ranks average and it would not be possible to make a single percentage appropriation without it.

Concerning Tables 5 and 6 in the Analyst's report, it should be noted that the percentage lags indicated are produced by an inappropriate method. First, at the time the Analyst's report was published, current-year figures (1978-79) for the comparison group were not available. Therefore, the figures published as current-year salaries for the comparison institutions were not the actual averages but only estimates, a fact which was not noted. In addition, if the Analyst had used the same divisor employed by the Commission to show the percentage increases required for parity in 1979-80, his estimates of lag in the current year would have been greater than the amounts he reported. This is shown on the following page.

Academic Rank	Lag Reported by the Legislative Analyst	Lag as Computed by Commission Staff
University of California		
Professor	7.6%	8.2%
Associate Professor	5.0	5.2
Assistant Professor	1.2	1.2
California State University and Colleges		
Professor	4.3%	5.0%
Associate Professor	3.3	3.4
Assistant Professor	1.6	1.6

Actual current-year salaries for the comparison institutions are now available, and it may be useful to compare them with those being paid at the University and the State University.

ACTUAL CURRENT-YEAR FACULTY SALARIES FOR THE UNIVERSITY OF CALIFORNIA, THE CALIFORNIA STATE UNIVERSITY AND COLLEGES, AND THEIR COMPARISON INSTITUTIONS

1978-79

Academic Rank	UC/CSUC Salaries	Comparison Institution Salaries	Difference
University of California			
Professor	$29,630	$32,383	9.3%
Associate Professor	20,533	21,943	6.9
Assistant Professor	16,964	17,447	2.9
California State University and Colleges			
Professor	$26,399	$27,813	5.4%
Associate Professor	20,324	21,227	4.4
Assistant Professor	16,668	17,058	2.3

The remainder of the Analyst's report on faculty salaries is primarily concerned with the University of California. Table 7 of the Analysis[2] is shown below. In the table, the salaries paid at various institutions across the country in 1977-78 are compared with those at the University.

Table 7
UC Faculty Compared to Major Public Institutions of Comparable Function
1977-78 AAUP Data
(dollars in thousands)

Institution	*Professor*		*Associate Professor*		*Assistant Professor*		*All*	
	Number	*Salary*	*Number*	*Salary*	*Number*	*Salary*	*Number*	*Salary*
California								
University of California (All)	2,589	$29.5	1,257	$20.6	1,186	$17.1	5,032[b]	$24.4
Percent	51.5%		25.0%		23.5%		100%	
New York								
Albany	232	29.7	211	21.5	200	16.1	643	
Binghamton	141	29.7	138	21.7	115	15.7	394	
Buffalo	309	30.8	308	21.4	188	16.2	805	
Stoney Brook	233	30.7	183	21.6	134	15.6	550	
All	915	$30.3	840	$21.5	637	$15.9	2,392	$23.4
Percent	38.3%		35.1%		26.6%		100%	
Michigan								
MSU	921	26.4	526	20.7	448	17.1	1,895	
UM	929	29.7	392	21.3	340	17.0	1,661	
Wayne St.	333	28.8	302	21.9	387	16.6	1,022	
West. M.	235	24.4	301	18.6	237	15.4	773	
All	2,418	$27.8	1,521	$20.7	1,412	$16.7	5,351	$22.9
Percent	45.2%		28.4%		26.4%		100%	
Wisconsin								
Madison	784	26.7	259	19.2	284	16.6	1,327	
Milwaukee	237	26.5	228	19.4	232	16.7	697	
All	1,021	$26.7	487	$19.3	516	$16.6	2,024	$22.3
Percent	50.4%		24.1%		25.5%		100%	
Illinois								
Urbana	957	28.2	590	19.9	476	16.6	2,023	
Chi, Circle	250	27.4	300	20.0	285	16.1	835	
All	1,207	$28.0	890	$19.9	761	$16.4	2,858	$22.4
Percent	42.4%		31.2%		26.6%		100%	
Texas								
Austin	624	$28.1	438	$20.3	553	$16.7	1,615	$22.1
Percent	38.6%		27.1%		34.3%		100%	
Harvard[a]	512	$33.7	94	$20.9	219	$16.7	825	$27.7
Percent	62%		11.4%		26.6%		100%	
Stanford[a]	450	$32.2	130	$21.9	163	$17.5	743	$27.2
Percent	60.5%		17.5%		22%			

[a] Major private institutions shown for informational purposes.
[b] AAUP data reports more positions than CPEC, however, average salaries are nearly identical.

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2. Ibid., page 1397.

First, the table is based on 1977-78 data which are not applicable to the present report. Second, the table includes nine institutions which are not on the University's list of comparison institutions and excludes two that are. As a result, the table shows that the all-ranks average for the University exceeds the all-ranks averages of other groups of institutions by various amounts.

The Analyst explains the reason for this approach is that "The University of California prefers to compare salaries for its entire system only with the salaries paid at the premier campus of other systems." Nevertheless, the Analyst uses the same approach. Four of the institutions listed for Michigan include the University of Michigan, Michigan State University, Wayne State University, and Western Michigan University (the latter two are comparison institutions for the California State University and Colleges), all of which have separate governing boards and which are not part of the same system.

In Wisconsin, the Analyst uses the Madison and Milwaukee campuses of the University of Wisconsin system. While they are part of the same system, it should be noted that Wisconsin combined its university centers with its state colleges into a single governing mechanism, and there is no reasonable basis for comparing the Milwaukee campus with any of the campuses of the University of California.

The only state in which the comparison is valid is New York where the Analyst shows four campuses of the State University of New York system. All are university centers and any or all of them could be used as University of California comparison institutions. However, since they have a single salary schedule, using one is sufficient.

There is one additional problem with Table 7 which may result from a misunderstanding of the function of the all-ranks average. In that table, the Analyst derives all-ranks averages for each group of institutions and compares them to the University of California all-ranks average.

The purpose of an all-ranks average is to generate a figure that will permit the appropriation of a specified amount of money to grant a specified percentage increase in salaries. To do that requires the use of the staffing pattern for the institution to which the money is appropriated, not the institution with which the comparison is made. The following example illustrates the point.

Institutions A and B have the following salary structures:

Institution A	Salary	Number of Faculty
Professor	$25,000	1,500
Associate Professor	20,000	1,000
Assistant Professor	15,000	500
Institution B		
Professor	27,500	500
Associate Professor	22,500	1,000
Assistant Professor	17,500	1,500
All-Ranks Averages		
Institution A	21,667	
Institution B	20,833	

The example shows that Institution B clearly has the higher salaries at each rank, $2,500 in each case. However, due to the operation of each institution's staffing pattern, Institution A has the higher all-ranks average by a factor of 4.0 percent. By that standard, it would appear that Institution B should receive a 4.0 percent increase in salary *in spite of the fact that it is already ahead of Institution A.* If, however, Institution A's staffing pattern is applied to Institution B, the truth emerges: Institution B is actually ahead of Institution A by 11.5 percent, *not the other way around.* It should be also noted that the procedure works just as well in reverse (i.e., if Institution B is the institution for which the comparison is being made) and that the size of the faculty has no effect on the procedure, since both institutions have the same number of faculty.

Applying this to the case at hand produces similar results. If the University of California's staffing pattern is used for the various states listed in Table 7 of the Analysis, the following results:

	All-Ranks Averages	
State	Analyst's Report	As Adjusted for UC Staffing Pattern
California (UC)	$24,400	$24,400
New York	23,400	24,700
Michigan	22,900	23,400
Wisconsin	22,300	22,500
Illinois	22,400	23,200
Texas	22,100	23,500
Harvard	27,700	26,500
Stanford	27,200	26,200

What the table shows is that the University of California was actually behind New York State instead of ahead of it, and that the difference in the other states is not as great as it appears. Further, it also shows that the University is not as far behind Harvard and Stanford as the Analyst indicates.

The remainder of the Analyst's report is primarily concerned with a comparison of salaries at individual University of California campuses with those at individual campuses of the comparison group and with other institutions. From this, someone unfamiliar with the salary process might conclude that faculty at one campus of the University are paid at higher (or lower) rates than those at other campuses. Such a conclusion would be incorrect since the University has a single salary schedule for all campuses, based on assumption that faculty on all of the campuses are equal in all respects. The fact that the average salaries are not the same on all campuses is not evidence of different rates of pay but of differences in staffing patterns (the number of individuals within each of the academic ranks), with the higher salaries generally reflecting the maturity of the campus. In general, the more mature the campus, the greater the number of faculty in the higher ranks, a situation which has the effect of increasing the all-ranks average.

APPENDIX I

Letter From Vice President Kleingartner to Director Callan

UNIVERSITY OF CALIFORNIA SYSTEMWIDE ADMINISTRATION

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Office of the Vice President--
Academic and Staff Personnel Relations

BERKELEY, CALIFORNIA 94720

November 16, 1978

Patrick M. Callan
California Postsecondary Education Commission
1020 - 12th Street
Sacramento, California 95814

Dear Mr. Callan:

I am submitting herewith Tables 1 and 2 (as amended) for your use in the full report of the Commission on Faculty Salaries and Fringe Benefits. You will note that the amended tables take account of the effect of estimated separations and new appointments on the staffing pattern and on average salaries by rank for 1979-1980; they do not take account of the effect of projected merit increases and promotions.

The difficulties with the figures in the original tables came to our attention at approximately the same time that they were perceived by Mr. Storey of your staff. To put the matter briefly, it became obvious that our projections of the 1979-1980 staffing pattern were in error. Moreover it was quickly established that the error arose from our projections of the effect of merit increases and promotions. Since merit increases tend to increase average salaries in each rank and promotions decrease average salaries in each rank, it is essential to review the comparative consequences of these two separate factors for the final computations. To our regret, we have found that we cannot accomplish that review in time to meet the deadline for the full report of the Commission. Hence, we have submitted the amended tables described above for your use in that report. We will, of course, have completed our analysis of the merit increase and promotion issue in the very near future and will reflect the necessary corrections in the submission for the Spring report of the Commission. I greatly regret this difficulty and regret any inconvenience it may have caused.

I would like to comment, however, on some features of the amended tables. There is a real sense in which the first three figures in the last line of Table 1 (amended) speak eloquently of our need. There one may observe that the University of California falls behind the mean of the comparison institutions by approximately 14 percent, 10 percent and 6 percent at the ranks of Professor, Associate Professor and Assistant Professor respectively. Those are important figures. To be sure, the all ranks average figure is required to establish the cost of adjustments necessary to achieve parity. A more definitive figure for that purpose will appear in our Spring submission when we have completed the analysis noted earlier in this letter. Incidentally it is interesting to note that in 1977-1978, the most recent year for which AAUP data are available, six of our eight comparison institutions were ahead of the University of California at the Professorship. Indeed, one can count in the September 1978 issue of the AAUP Bulletin, some twenty outstanding American universities including some one might think in a lesser category, which led U.C. at the level of Professor in 1977-1978.

I want to thank you and your staff for your understanding cooperation in respect to the materials for the Fall report. We shall shortly have our house in order in that respect.

Sincerely,

Archie Kleingartner
Vice President

Attachments

cc: President Saxon
Vice President Fretter
Associate Vice President Jenkins
Dr. Washburn
William Storey

APPENDIX J

University of California Supplementary Information

THE UNIVERSITY OF CALIFORNIA
OFFICE OF THE VICE PRESIDENT--
ACADEMIC AND STAFF PERSONNEL RELATIONS

TABLE A-3
AVERAGE UC FACULTY FRINGE BENEFITS
(Employer Contributions)
1978-79

RETIREMENT/FICA[1]			18.75% of salary
UNEMPLOYMENT INSURANCE			0.32% of salary
WORKMEN'S COMPENSATION			1.25% of salary
HEALTH INSURANCE -- ANNUITANTS			0.42% of salary
HEALTH INSURANCE	$622.40		
LIFE INSURANCE	16.20		
NON-INDUSTRIAL DISABILITY INSURANCE	54.00		
TOTAL	$692.60	plus	20.74% of salary

SOURCE: Office of Budgetary Planning

THE UNIVERSITY OF CALIFORNIA
OFFICE OF THE VICE PRESIDENT--
ACADEMIC AND STAFF PERSONNEL RELATIONS

Table A-4

Average Comparison Institution Salaries

Average Comparison Institution Salaries

Institution	Professor	Associate Professor	Assistant Professor
		1977-78	
A	$32,210 (3)	$21,847 (1)	$17,488 (1)
B	26,666 (8)	19,296 (8)	16,473 (4)
C	30,815 (4)	21,358 (2)	16,104 (5)
D	32,307 (2)	20,540 (5)	15,355 (8)
E	29,270 (6)	20,888 (4)	16,597 (3)
F	30,179 (5)	20,493 (6)	16,101 (6)
G	27,980 (7)	19,815 (7)	16,071 (7)
H	33,661 (1)	20,928 (3)	16,733 (2)
Average	$30,386	$20,646	$16,365
		1972-73	
A	$23,318 (4)	$16,789 (3)	$13,330 (2)
B	21,169 (8)	16,100 (5)	12,958 (4)
C	25,309 (2)	18,073 (1)	13,808 (1)
D	25,487 (1)	15,622 (7)	11,929 (8)
E	22,287 (6)	16,349 (4)	13,319 (3)
F	23,017 (5)	15,958 (6)	12,605 (6)
G	21,559 (7)	15,619 (8)	12,909 (5)
H	23,800 (3)	17,000 (2)	12,300 (7)
Average	$23,243	$16,439	$12,895

Note: Confidential data received from comparison institutions include 9- and 11-month full-time salaries for all schools and colleges except health sciences.

UNIVERSITY OF CALIFORNIA

SUPPLEMENTARY TABLES

TABLE B-1

FULL-TIME FACULTY BY RANK 1978-79 (actual)[a]

Rank	FTE	Percent
Professor	2,593.56	55.70%
Associate Professor	1,131.38	24.30%
Assistant Professor	931.24	20.00%
Instructor	0.00	0.00%
	4,656.18	100.00%

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[a] Full-time faculty by rank, by budgeted FTE. General campus, 9- and 11-months basis appointments. Excludes health sciences: Dentistry, Medicine, Nursing, Optometry, Pharmacy, Public Health, and Veterinary Medicine.

VP--A&SPR 10/78 bln

TABLE B-2

NUMBER[a] AND PERCENT OF NEW AND CONTINUING FULL-TIME FACULTY[b] WITH DOCTORATE AS OF JULY 1, 1978

9-Months	With Doctorate		Without Doctorate		Total	
	N	%	N	%	N	%
Professors						
New	22	78.6	6	21.4	28	100.00
Continuing	2,348	88.3	312	11.7	2,660	100.00
Total	2,370	88.2	318	11.8	2,688	100.00
Associate Professors						
New	17	100.0	-	100.0	17	100.00
Continuing	1,098	89.8	125	10.2	1,223	100.00
Total	1,115	89.9	125	10.1	1,240	100.00
Assistant Professors						
New	103	89.6	12	10.4	115	100.00
Continuing	798	75.3	262	24.7	1,060	100.00
Total	901	76.7	274	23.3	1,175	100.00
Instructors						
New	-	0.0	-	0.0	-	100.00
Continuing	1	50.0	1	50.0	2	100.00
Total	1	50.0	1	50.0	2	100.00
All Ranks	4,387	85.9	718	14.1	5,105	100.00
Lecturers	513	45.5	641	55.5	1,154	100.00

---

[a] Compiled on a headcount basis. These aggregates are, therefore, higher than those in Table B-1 which are computed on an FTE basis.

[b] Includes regular ranks titles and Lecturers and Senior Lecturers with and without Security of Employment. For purposes of this report, full-time is defined as 50% or more time for two or more quarters during the fiscal year. Excludes health sciences: Dentistry, Medicine, Nursing, Optometry, Pharmacy, Public Health, and Veterinary Medicine.

Source: Bio-bibliographical Services (Bio-Bib) records on UC faculty.

TABLE B-2 (continued)

NUMBER[a] AND PERCENT OF NEW AND CONTINUING FULL-TIME FACULTY[b] WITH DOCTORATE AS OF JULY 1, 1978

11-Months	With Doctorate		Without Doctorate		Total	
	N	%	N	%	N	%
Professors						
New	2	100.0		0.0	2	100.00
Continuing	510	96.2	20	3.8	530	100.00
Total	512	96.2	20	3.8	532	100.00
Associate Professors						
New	2	100.0		0.0	2	100.00
Continuing	114	95.8	5	4.2	119	100.00
Total	116	96.0	5	4.0	121	100.00
Assistant Professor						
New	12	85.7	2	14.3	14	100.00
Continuing	123	96.1	5	3.9	128	100.00
Total	135	95.1	7	4.9	142	100.00
Instructor						
New	-	0.0	-	0.0	-	100.00
Continuing	-	0.0	-	0.0	-	100.00
Total	-	0.0	-	0.0	-	100.00
All Ranks	763	96.0	32	0.4	795	100.00
Lecturers	39	76.5	12	23.5	51	100.00

---

[a] Compiled on a headcount basis. These aggregates are, therefore, higher than those in Table B-1, which are computed on an FTE basis.

[b] Includes regular rank titles and Lecturers and Senior Lecturers with and without Security of Employment. For purposes of this report, full-time is defined as 50% or more time for two or more quarters during the fiscal year. Excludes health sciences: Dentistry, Medicine, Nursing, Optometry, Pharmacy, Public Health, and Veterinary Medicine.

Source: Bio-bibliographical Services (Bio-Bib) records on UC faculty.

TABLE B-3

NUMBER[a] AND PERCENT OF FULL-TIME FACULTY[b] WITH TENURE OR SECURITY OF EMPLOYMENT 1978-79

	Total Number of Faculty	Faculty with Tenure or Security of Employment	
		N	%
9-Months			
Professor	2,857	2,688	94.1
Associate Professor	1,335	1,240	92.9
Assistant Professor	1,421	-	-
Instructor	79	-	-
(All Ranks)	(5,692)	(3,928)	(69.1)
Lecturer	1,154	111	9.6
11-Months			
Professor	540	532	98.5
Associate Professor	125	121	96.8
Assistant Professor	146	-	-
Instructor	-	-	-
(All Ranks)	(711)	(653)	(91.8)
Lecturer	51	5	9.8

---

[a] Compiled on a headcount basis. These aggregates are, therefore, higher than those in Table B-1, which are computed on an FTE basis.

[b] Includes regular and irregular (Acting, Visiting, In-Residence Adjunct) rank titles and Lecturers and Senior Lecturers with and without Security of Employment. For purposes of this report, full-time is defined as 50% or more time for two or more quarters during the fiscal year. Excludes health sciences: Dentistry, Medicine, Nursing, Optometry, Pharmacy, Public Health, and Veterinary Medicine.

Source: Bio-bibliographical Services (Bio-Bib) records on UC faculty.

TABLE B-4

TERMINATIONS OF FULL-TIME FACULTY 1977-78[a]

Reason for Termination	Professor 9 Mos.	Professor 11 Mos.	Associate Professor 9 Mos.	Associate Professor 11 Mos.	Assistant Professor 9 Mos.	Assistant Professor 11 Mos.	Instructor 9 Mos.	Instructor 11 Mos.
Death & Retirement	70	10	4	-	-	-	-	-
Faculty Position in Another Institution	14	-	6	1	14	2	-	-
Return to Graduate Study	-	-	-	-	1	-	-	-
Change in Status	1	-	3	-	1	-	-	-
Expiration of Appointment	-	-	-	-	21	-	-	-
Other Employment	4	1	4	-	20	2	-	-
Unknown	-	-	1	-	1	-	-	-
TOTAL	89	11	18	1	58	4	-	-

---

[a] Includes regular rank titles only. For purposes of this report, full-time is defined as 50% or more time for two or more quarters during the fiscal year. Excludes health sciences: Dentistry, Medicine, Nursing, Optometry, Pharmacy, Public Health, and Veterinary Medicine.

Source: Academic Personnel Logs

VP--A&SPR 10/78 bln

TABLE B-5

ORIGINS OF RECRUITMENT OF TENURED AND NONTENURED PERSONNEL[a]
1978-79

	Professor		Associate Professor		Assistant Professor		Instructor	
	9 Mos.	11 Mos.	9 Mos.	11 Mos.	9 Mos.	11 Mos.	9 Mos.	11 Mos.
Institution								
Brown University	1	-	-	-	-	-	-	-
Bucknell University	-	-	-	-	-	1	-	-
CSUC-Pomona	-	-	-	-	1	-	-	-
CSUC-San Francisco	-	-	-	-	1	-	-	-
CSUC-San Jose	-	-	-	-	1	-	-	-
Case Western Reserve U.	-	-	-	-	1	-	-	-
Univ/Chicago	-	-	-	-	2	-	-	-
Colgate University	-	-	-	-	1	-	-	-
Univ/Colorado	-	-	-	-	1	-	-	-
Cornell University	1	-	-	-	-	-	-	-
CUNY	-	-	1	-	-	-	-	-
Univ/Delaware	-	-	1	-	-	-	-	-
Duke University	1	-	-	-	-	-	-	-
Fordham University	-	-	-	-	1	-	-	-
Harvard	1	-	1	-	3	-	-	-
Univ/Illinois	1	-	-	-	1	-	-	-
Indiana University	1	-	1	-	1	-	-	-
Johns Hopkins Univ	-	-	-	-	3	-	-	-
Lewis & Clarke College	-	-	-	-	1	-	-	-
Univ/Maryland	1	-	-	-	-	-	-	-
MIT	2	-	-	-	-	-	-	-
McGill University	-	-	-	1	-	-	-	-
Mercy College	-	-	-	-	1	-	-	-
Miami Univ/Ohio	-	-	1	-	-	-	-	-
Univ/Michigan	-	-	1	-	3	-	-	-
Michigan State Univ	-	-	-	-	-	1	-	-
Univ/Missouri	-	-	-	-	2	1	-	-
NW Missouri State U	-	-	-	-	-	1	-	-
Univ/New Mexico	-	-	-	-	1	-	-	-
N Carolina Sch/Arts	-	-	-	-	1	-	-	-
Northwestern Univ	2	-	-	-	1	-	-	-

ORIGINS OF RECRUITMENT OF TENURED AND NONTENURED PERSONNEL[a]
1978-79

	Professor		Associate Professor		Assistant Professor		Instructor	
	9 Mos.	11 Mos.	9 Mos.	11 Mos.	9 Mos.	11 Mos.	9 Mos.	11 Mos.
Institution								
Ohio State Univ	-	-	-	-	1	-	-	-
Univ/Oregon	-	-	-	-	1	-	-	-
Univ/Pennsylvania	-	-	1	-	2	-	-	-
Pennsylvania State U.	-	-	-	-	1	-	-	-
Princeton	-	-	1	-	3	-	-	-
Purdue	-	-	-	-	2	-	-	-
Rockefeller Univ	1	-	-	-	-	-	-	-
Rutgers	-	-	-	-	1	-	-	-
Stanford	-	-	-	-	2	-	-	-
SUNY-Buffalo	2	-	-	-	-	-	-	-
SUNY-Purchase	1	-	-	-	-	-	-	-
SUNY-Stonybrook	1	-	-	-	1	-	-	-
Univ/Texas	-	-	-	-	1	-	-	-
Tufts	-	-	-	-	1	-	-	-
Tyler Sch/Arts	1	-	-	-	-	-	-	-
USC	-	-	-	-	2	-	-	-
Utah State Univ	-	-	-	-	1	-	-	-
Virginia Polytech Inst.	-	-	-	-	-	1	-	-
Washington State Univ.	-	-	-	-	1	-	-	-
Wesleyan University	1	-	-	-	-	-	-	-
Yale	-	-	2	-	2	-	-	-
Subtotal	18	-	10	1	49	5	-	-
UC	1	2	3	1	28	1	-	-
UC-Regularization	2	-	3	-	9	1	-	-
Other Sources								
Foreign	4	-	-	-	6	1	-	-
Graduate Study	-	-	-	-	15	3	-	-
Other Employment	2	-	1	-	8	2	-	-
Government	1	-	-	-	-	1	-	-
Subtotal	10	2	7	1	66	9	-	-
TOTAL	28	2	17	2	115	14	-	-

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[a] Includes full-time regular rank titles only. Gives origins of new faculty shown in Table 3-2. Excludes health sciences.

TABLE B-6

DESTINATION OF FACULTY WHO VOLUNTARILY RESIGN 1977-78[a]

Institution	Professor		Associate Professor		Assistant Professor		Instructor	
	9 Mos.	11 Mos.	9 Mos.	11 Mos.	9 Mos.	11 Mos.	9 Mos.	11 Mos.
Boston University	1	-	-	-	-	-	-	-
Calif. Inst/Arts	-	-	1	-	-	-	-	-
Cal Tech	-	-	-	-	1	-	-	-
CSUC-Pomona	-	-	-	-	1	-	-	-
CSUC-Stanislaus	-	-	-	-	-	1	-	-
Cornell	1	-	-	-	-	-	-	-
Duke University	1	-	-	-	-	-	-	-
Harvard	1	-	-	-	2	-	-	-
Harvey Mudd College	-	-	1	-	-	-	-	-
Univ/Illinois	1	-	-	-	-	-	-	-
Indiana Univ	1	-	-	-	1	-	-	-
Johns Hopkins	1	-	-	-	-	-	-	-
Univ/Michigan	1	-	-	-	-	-	-	-
Middlebury College	-	-	1	-	-	-	-	-
Ohio State Univ	-	-	-	-	1	-	-	-
Penn State Univ	-	-	-	-	1	-	-	-
Princeton	1	-	-	-	-	-	-	-
Univ/San Francisco	1	-	-	-	-	-	-	-
Stanford	2	-	-	-	1	-	-	-
Univ/Utah	-	-	1	-	-	-	-	-
Univ/Texas	-	-	-	-	2	-	-	-
Texas A & M	-	-	1	-	-	-	-	-
Virginia Poly Inst	1	-	-	-	-	-	-	-
Univ/Washington	-	-	-	-	-	1	-	-
Washington State Univ	-	-	-	-	1	-	-	-
Washington & Lee Univ	1	-	-	-	-	-	-	-
Wesleyan Univ	-	-	1	-	-	-	-	-
Univ/Wisconsin	-	-	-	-	2	-	-	-

[continued on next page]

TABLE B-6 (continued)

DESTINATION OF FACULTY WHO VOLUNTARILY RESIGN
1977-78[a]

	Professor		Associate Professor		Assistant Professor		Instructor	
	9 Mos.	11 Mos.	9 Mos.	11 Mos.	9 Mos.	11 Mos.	9 Mos.	11 Mos.
Other								
Foreign Institutions	-	-	-	1	1	-	-	-
Government	-	-	2	-	2	-	-	-
Change in Status	1	-	3	-	1	-	-	-
Personal	1	-	1	-	8	2	-	-
Other Employment	3	1	1	-	10	-	-	-
Graduate Study	-	-	-	-	1	-	-	-
Unknown	-	-	1	-	1	-	-	-
TOTAL	19	1	14	1	37	4	-	-

[a] Includes full-time regular-rank titles only. Gives destinations (other than death and retirement and expiration of appointment) of terminating faculty shown in Table B-4. Excludes health sciences.

Source: Academic Personnel Logs

VP--A&SPR: 10/78 bln

TABLE B-VII

FACULTY PROMOTIONAL PATTERNS: 1976-77 and 1977-78[a]

	Promoted from Asst Professor to Assoc Professor			Promoted from Assoc Professor to Professor		
	Total	9-mos	11-mos	Total	9-mos	11-mos
1976-77	169	148	21	158	150	8
1977-78	164	146	18	151	133	18

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[a] Includes regular rank titles only. For purposes of this report, full-time is defined as 50% or more for two or more quarters during the fiscal year. Excludes health sciences: Dentistry, Medicine, Nursing, Optometry, Pharmacy, Public Health, and Veterinary Medicine.

Source: Academic Personnel Logs

VP--A&SPR: 10/78 bln

APPENDIX K

California State University and Colleges Supplemental Information

Office of the Chancellor
The California State University and Colleges

Average Cost of CSUC Benefits
Fall 1978 (per full-time faculty)

Retirement (16.98% of salary)	$3,804
Social Security	915
Medical Insurance	735
Unemployment Insurance	68
Workers Compensation	22
	$5,544

3/20/79

Office of the Chancellor
The California State University and Colleges

New Full-time Faculty
Appointments Effective
Fall 1978

K-2

	Number	No. w/Doctorate	
Professor	52	42	80.8
Associate Professor	106	71	67.0
Assistant Professor	370	185	50.0
Instructor	47	2	4.3
	575	300	52.2%

3/20/79

Office of the Chancellor
The California State University and Colleges

CSUC
Comparison Institutions Data

Fall 1978 Data *

		Expenditures		Average	
Rank	Number	Salaries	Benefits	Salary	Benefits
Professor	5,661	$157,447,694	$26,656,469	$27,813	4,709
Associate Professor	4,838	102,697,762	18,417,755	21,227	3,807
Assistant Professor	4,904	83,654,210	15,174,330	17,058	3,094
Instructor	1,293	17,329,989	3,094,427	13,403	2,393

Fall 1973 Data

		Expenditures		Average	
Rank	Number	Salaries	Benefits	Salary	Benefits
Professor	4,867	$102,098,059	$14,589,740	$20,978	$2,998
Associate Professor	4,288	69,102,093	10,338,591	16,115	2,411
Assistant Professor	5,059	66,899,526	10,177,004	13,224	2,012
Instructor	1,560	15,947,849	2,425,323	10,223	1,555

* All Institutions Reporting

3/19/79

Office of the Chancellor
The California State University and Colleges

CSUC Full-Time Faculty
with Tenure, with Doctorate
Fall, 1978

K-4

	Headcount	No. w/Doctorate		No. w/Tenure	
		#	%	#	%
Professor	5,489	4,515	82.3%	5,311	96.8%
Associate Professor	3,438	2,432	70.7	2,939	85.5%
Assistant Professor	2,221	1,030	46.4	395	17.8%
Instructor	218	8	3.7	-	-
TOTAL	11,366	7,985	72.3	8,645	76.1%

3/19/79

Office of the Chancellor
The California State University and Colleges

CSUC Faculty Promotion
Effective:

	Fall 1975	Fall 1976	Fall 1977
To:			
Professor	453	475	492
Associate Professor	509	440	389
Assistant Professor	10	7	8
	972	922	889

3/20/79